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LEGISLATIVE HISTORY

Public Law 437--83rd Congress

Chapter 409--2nd Session

H. R. 8779

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DIGEST OF PUBLIC LAW 437

AGRICULTURE DEPARTMENT APPROPRIATION ACT, 1955. For digest of this law see attached excerpts from semi-annual digest.

Public Law 425 (S. 3050) EXCESS-TOBACCO PENALTY (approved June 22, 1954). Increases, from 40% to 50% of the average market price, the penalty for marketing tobacco in excess of farm marketing quotas.

Public Law 426 (S. 2225) JURISDICTION OVER O&C LANDS (approved June 24, 1954). Provides for continued administration of the controverted O&C lands, Oreg., by the Forest Service, with accounting of funds heretofore or hereafter received to be the same as for other O&C land receipts, and provides for consolidation of the checkerboard administrative areas through exchanges of land by the Agriculture and Interior Departments.

Public Law 428 (H. R. 8583) INDEPENDENT OFFICES APPROPRIATION ACT, 1955 (approved June 24, 1954). Includes funds for the Budget Bureau, Council of Economic Advisers, Office of Defense Mobilization, emergency fund for the President, management improvement fund, Civil Service Commission, General Accounting Office, General Services Administration, Interstate Commerce Commission, National Science Foundation, Selective Service System, Smithsonian Institution, Tariff Commission, Tennessee Valley Authority, Subversive Activities Control Board, and Veterans Administration.

Public Law 430 (H. R. 3097) RESEARCH LAND TRANSFER (approved June 28, 1954). Directs this Department to donate to the University of California the United States Grape Field Station near Oakville, Calif., for use for the benefit of agriculture.

Public Law 434 (H. R. 8357) STANDARD CONTAINER ACT AMENDMENT (approved June 28, 1954). Authorizes a 3/8 bushel hamper or round stave basket for fruits and vegetables.

Public Law 437 (H. R. 8779) DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION ACT, 1955 (approved June 29, 1954). The Act provides for the Department of Agriculture annual appropriations for regular activities for the fiscal year 1955 in the amount of $723,761,650, plus $331,500 under Title III -- Special Activities. The Act also provides for borrowings from the Secretary of the Treasury in the amount of $358,000,000, and corporate administrative expense limitation of $18,000,000 under Title II -- Corporations. Permanent appropriations are available totaling $209,895,587. The Act provides limitations on administrative expenses, totaling not to exceed $6,250,000, for the Farm Credit Administration under Title IV.

Items of major significance contained in this Act for the Department of Agriculture, including amounts of increase or decrease as compared with fiscal year 1954, are as follows:

AGRICULTURAL RESEARCH SERVICE - $88,721,287 appropriated (increase of $9,986,564). Significant changes over 1954 include: Salaries and Expenses - net increase of $2,354,564 to expand the research programs of the Department in developing new and improved methods of meeting agricultural farm problems; Payments to States - increase of $5,732,000 to strengthen research programs of the State agricultural experiment stations as authorized by Title I, sec. 9, of the Bankhead-Jones Act, as amended; Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry - Research - appropriated $1,900,000 (new item) for initiating research on foot-and-mouth and related diseases at facilities located on Plum Island, New York.

EXTENSION SERVICE: (principally payments to States) - $43,542,500 appropriated - Increase of $8,247,936 primarily to provide for additional State and county extension workers to carry out an expanded extension program and an intensified on-the-farm advisory service.

FOREST SERVICE (excluding permanent appropriations) - $75,184,890 appropriated (net decrease of $3,463,518). Significant items include: Salaries and Expenses - $47,966,200 appropriated (net decrease of $4,894,518); $6,000,000 appropriated for fighting forest fires, including contingency fund of $2,500,000; $4,937,500 appropriated for control of forest pests, including contingency fund of $1,967,500; Forest Roads and Trails - $16,000,000 appropriated (increase of $1,502,000); Acquisition of Lands for National Forests - Weeks Act - $125,000 appropriated (increase of $50,000) - Special Acts - $10,000 appropriated (no funds appropriated in 1954); Cooperative Range Improvements - $400,000 appropriated (decrease of $131,000).

SOIL CONSERVATION SERVICE: Conservation Operations - $59,085,671 appropriated (increase of $266,392; Watershed Protection - $5,500,000 appropriated (increase of $500,000); Flood Prevention - $7,482,000 appropriated (increase of $500,000); Water Conservation and Utilization Projects - $480,000 appropriated (decrease of $205,000).

AGRICULTURAL CONSERVATION PROGRAM SERVICE - $191,700,000 appropriated (decreas of $35,282,000), of which $2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices; $1,000,000 for conservation practices related directly to flood prevention work in approved watersheds; and not to exceed $22,500,000 is for administrative expenses; the Act also provides a program authorization of $250,000,000 for the 1955 crop year of which only $195,000,000 would be available for commitment pending adoption of a final program relative to the use of lands diverted from production.

AGRICULTURAL MARKETING SERVICE: Marketing Research and Service - $21,790,500 appropriated - net increase of $1,325,247 primarily to intensify and expand efforts to conserve food and obtain less expensive marketing practices; Payments to States - $900,000 appropriated (increase of $327,000); Repayment to Commodity Credit Corporation for certain grading and classing costs in 1953 - $441,655 appropriated (decrease of $326,850).

FOREIGN AGRICULTURAL SERVICE - $965,000 appropriated (increase of $124,100).

COMMODITY EXCHANGE AUTHORITY - $673,000 appropriated (decrease of $19,273).

COMMODITY STABILIZATION SERVICE: Agricultural Adjustment Programs - $41,250,000 appropriated (decrease of $3,062,000), with the provision that $3,500,000 of this amount shall be placed in reserve for use in the event it becomes necessary to establish marketing quotas on the 1955 crop of wheat; Sugar Act Program - $59,600,000 appropriated (decrease of $8,287), with the provision that $77,000 of this amount shall be placed in reserve for use in the event it becomes necessary to apply restrictive proportionate shares on the 1955 beet crop.

COMMODITY CREDIT CORPORATION - The Act authorizes $18,000,000 for administrative expenses (decrease of $2,000,000).

FEDERAL CROP INSURANCE CORPORATION - $6,000,000 appropriated (decrease of $1,450,000).

RURAL ELECTRIFICATION ADMINISTRATION: Loan Authorizations - $210,000,000 consisting of $135,000,000 for rural electrification loans (no change), and $75,000,000 for rural telephone loans (increase of $7,500,000); the Act also provides a contingent borrowing authorization of $35,000,000 for the rural electrification program; Salaries and Expenses - $7,285,000 appropriated (decrease of $269,250).

FARMERS' HOME ADMINISTRATION: Loan Authorizations - $148,000,000, including $19,000,000 for farm ownership loans (no change), $122,500,000 for production and subsistence loans (decrease of $17,500,000), and $6,500,000 for water facilities (no change); the Act does not provide funds for farm housing loans since the authorization for appropriations or borrowing authority contained in the Housing Act of 1949, as amended, which provided for these loans expired on June 30, 1954 (decrease of $16,500,000); Salaries and Expenses - $23,550,000 appropriated - decrease of $3,187,000 due primarily to general reduction of costs in connection with making and servicing loans.

OFFICE OF THE SOLICITOR - $2,030,000 appropriated (decrease of $281,000).

OFFICE OF THE SECRETARY - $2,080,000 appropriated (decrease of $108,000).

OFFICE OF INFORMATION - $1,196,000 appropriated (decrease of $55,000).

LIBRARY - $659,950 appropriated (decrease of $21,850).

SPECIAL ACTIVITIES: Research on Strategic and Critical Agricultural Materials - $331,500 appropriated (decrease of $108,000).

Public Law 438 (S. J. Res. 167) HOUSING LOANS (approved June 29, 1954). Continues various housing provisions for a temporary period pending enactment of the regular housing bill. Includes authorization of $8,500,000 for loans, and $170,000 for contributions, in connection with the farm housing program administered by USDA.

Public Law 442 (S. 2844) DISBURSING SERVICES (approved June 29, 1954). Makes permanent the authority of U. S. disbursing officers to perform certain banking services for Government employees stationed abroad.

Public Law 452 (H. R. 7709) COPPER IMPORTS (approved June 30, 1954). Continues through June 1955 the suspension of certain import taxes on copper.

Public Law 453 (H. R. 8367) ARMY CIVIL FUNCTIONS APPROPRIATION ACT, 1955 (approved June 30, 1954). Includes funds for Army flood-control projects.

Public Law 457 (H. R. 9505) WAR-RISK AND DETENTION BENEFITS (approved June 30, 1954). Continues until July 1, 1955, the effectiveness of the act providing war-risk hazard and detention benefits for Government employees.

Public Law 458 (H. R. 8873) DEFENSE DEPARTMENT APPROPRIATION ACT, 1955 (approved June 30, 1954). Includes funds for the National Security Training Commission and the Department of Defense.

Public Law 464 (H. R. 9474) TRADE AGREEMENTS (approved July 1, 1954). Continues until June 12, 1955, the authority of the President to enter into reciprocal trade agreements. Prohibits action to decrease the duty on any article if the President finds that such reduction would threaten domestic production needed for national defense. States that this act indicates no Congressional determination regarding GATT.

Public Law 465 (H. R. 8680) INTERIOR DEPARTMENT APPROPRIATION ACT, 1955 (approved July 1, 1954). Includes funds for Southeastern Power Administration, Southwestern Power Administration, research on conversion of salt water, Bonneville Power Administration, Bureau of Land Management, Bureau of Reclamation, Virgin Islands Corporation, etc.

Public Law 466 (S. 2802) SEC. 32 FUNDS FOR FISHERY PRODUCTS (approved July 1, 1954). Directs the Secretary of Agriculture, for each of the fiscal years 1955 through 1957, to transfer to the Interior Department an amount of Sec. 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These monies are to be used by the Interior Department for conducting fishery educational and research programs as a means of developing increasing markets for fishery products. The Interior Department is further authorized to retransfer funds available under this act to the Agriculture Department to be used for the purchase and distribution of surplus fishery products under Sec. 1 of Public Law 393, 76th Congress. Establishes a limitation of $3,000,000 as the maximum expenditure for any fiscal year and provides that retransfer of funds to USDA is not to exceed $1,500,000 for the above-described purpose.

Public Law 468 (H. R. 9517) D. C. APPROPRIATION ACT, 1955 (approved July 1, 1954). Includes funds for distribution of surplus commodities and relief milk to public and charitable institutions, the "penny milk" program for school children in D. C., and weight-measure and market inspection.

Public Law 470 (H. R. 9203) LEGISLATIVE-JUDICIARY APPROPRIATION ACT, 1955 (approved July 2, 1954). Includes funds for committee staffs, Botanic Garden, Library of Congress, and Government Printing Office.

Public Law 471 (H. R. 8067) STATE, JUSTICE, COMMERCE APPROPRIATION ACT, 1955 (approved July 2, 1954). Includes funds for agricultural attaches, contributions to international organizations (including FAO), Immigration and Naturalization Service (including Mexican farm labor program), Bureau of the Census (including census of agriculture), Bureau of Public Roads (including forest highways), National Bureau of Standards, and Weather Bureau.

Public Law 472 (H. R. 9447) DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1955 (approved July 2, 1954). Includes funds for the Bureau of Employment Security (including farm placement and the Mexican farm labor program), Bureau of Labor Standards (including work on improving the conditions of migratory labor), Bureau of Employees' Compensation, Bureau of Labor Statistics, Food and Drug Administration, Office of Education (including further endowment of colleges of agriculture and the mechanic arts, and assistance to school districts in Federally affected areas), Office of Vocational Rehabilitation, Public Health Service (including Gorgas Memorial Laboratory), Social Security Administration, and National Labor Relations Board. Provides that NLRB funds may not be used to organize agricultural workers in connection with investigations, etc., of bargaining units composed of agricultural workers.

INDEX AND SUMMARY OF H. R. 8779

Hearings: House, H. R. 8779, Parts 1 - 4.
Senate, H. R. 8779.

April 9, 1954	House Committee on Appropriations reported without amendment H. R. 8779. House Report 1510. Print of bill and report. House Rules Committee reported H. Res. 506 for consideration without points of order. House Report 1511. Print of bill and report.
Apr. 12, 1954	House began and concluded general debate after agreeing to H. Res. 506.
Apr. 14, 1954	House passed with amendments.
Apr. 15, 1954	Referred to Senate Appropriations Committee. Print of bill as referred.
May 5, 1954	Senate Committee on Appropriations concluded open hearings.
May 25, 1954	Senate Appropriations Subcommittee voted to report, with amendments, to the full committee H. R. 8779.
May 26, 1954	Senate Appropriations Committee ordered reported.
May 27, 1954	Senate Appropriations Committee reported with amendments, H. R. 8779. Senate Report 1429. Print of bill and report.
May 28, 1954	Senate made H. R. 8779 unfinished business.
June 1, 1954	Senate began debate.
June 2, 1954	Senate passed with amendments. Senate conferees appointed.
June 16, 1954	House conferees appointed.
June 22, 1954	House received conference report. House Report 1911.
June 23, 1954	Both Houses agreed to conference report.
June 29, 1954	Approved: Public Law 437.

[FULL COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

83d Congress, 2d Session } HOUSE OF REPRESENTATIVES { Report No. ——

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

April 9, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. H. Carl Andersen, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. ——]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture for the fiscal year 1955. The bill covers all estimates contained in the 1955 Budget, pages 177 through 188 and 322 through 419, and amendments submitted in House Documents Nos. 352 and 357.

The bill includes direct annual appropriations for regular activities of $698,410,313, loan authorizations for the Rural Electrification Administration and the Farmers Home Administration of $320,500,000, an administrative expense authorization for the Commodity Credit Corporation of $18,000,000, an appropriation of $331,500 for special activities, and administrative expense limitations for the Farm Credit Administration of $6,250,000. The amount recommended for the regular activities of the Department is $36,282,126 below funds available for 1954 and loan authorizations proposed are $64,000,000 below authorizations for 1954. The administrative expense limitation proposed for the Commodity Credit Corporation is $1,100,000 below fiscal year 1954 and the administrative expense funds recommended for the Farm Credit Administration are $89,500 over 1954 authorizations.

The following summary sets forth the committee action with respect to the various items in the bill:

Item	Approved 1954	Estimates 1955	Recommended 1955	Bill compared with—	
				1954 approved	1955 estimates
Regular activities	$734,692,439	$698,410,313	$698,410,313	−$36,282,126	
Loan authorizations	384,500,000	275,500,000	320,500,000	−64,000,000	+$45,000,000
Commodity Credit Corporation	19,100,000	18,000,000	18,000,000	−1,100,000	
Special activities	130,439,500	331,500	331,500	−130,108,000	
Farm Credit Administration	6,160,500	6,305,000	6,250,000	+89,500	−55,000

RESEARCH AND EDUCATION VERSUS ACTION PROGRAMS

The committee had presented to it a Budget which sharply curtailed the so-called "action" programs of the Department and placed strong emphasis on its research and extension activities. Increases totaling $18,182,000 were included for research and extension programs, while decreases of $29,327,634 were proposed for the Forest Service, Soil Conservation Service, Federal Crop Insurance Corporation, Rural Electrification Administration, Farmers Home Administration and the School Lunch Program. In addition, decreases of $3,440,203, were proposed for disease and pest control, and inspection, grading, classing, and standardization of agricultural commodities.

The committee has a long record of support for research and educational programs of the Department of Agriculture. It agrees that these programs must be kept strong and effective to develop new and improved methods of meeting agricultural problems and to encourage wider use of research results on the farms of the nation. A few years ago the committee made a determined and successful effort to increase the funds for the Extension Service by several million dollars. The committee initiated the action which resulted in the adoption of legislation last June removing the appropriation ceiling for the Extension Service. Further, the committee was successful last year in adding $1,700,000 to the research appropriations of the Department.

In the accompanying bill, the committee has gone along with increases for research and extension as far as possible within budgetary limitations. Approximately 30 percent of the increase proposed in the Budget for the State Experiment Stations is included in the bill. Over 45 percent of the increased appropriations recommended for the Extension Service has been approved.

The committee does not agree however with recommendations contained in the 1955 Budget substantially reducing the Federal "action" programs, and has restored some of these cuts. It believes that the Department must continue a level of operation for such programs which will "hold the line" until the additional research and education has provided better answers to the nation's many problems on the farm. The severity of problems resulting from prolonged drought and loss of farm income make it imperative that administrative funds for the Farmers Home Administration be maintained somewhere near existing levels. Due to the need for some central authority to coordinate insect control programs and provide uniform quarantine regulations, the committee believes it inadvisable to sharply curtail these programs. Neither does it agree with the proposed elimination of funds for indemnity payments for the control of tuberculosis and brucellosis of cattle. It is to be noted that no agreements or other arrangements have been made for the States to

take over these insect and disease control programs, even if they could handle them.

Due to the fact that some 40 percent of the crop land of the country has been severely damaged or lost entirely, and an additional 20 percent is at present undergoing severe erosion, the committee does not agree with the cuts proposed in the soil conservation and flood prevention activities of the Department. It also questions the advisability of curtailing programs of the Forest Service having to do with the protection and reforestation of the national forests, and disagrees with the efforts to eliminate the cooperative programs for forest tree planting and management on State and private lands.

BASIS FOR BUDGET REDUCTIONS

The total appropriations included in the bill for the regular activities of the Department are the same as the amount recommended in the 1955 Budget. This is an overall reduction of $36,282,126 below the level of appropriations for the current fiscal year, a cut of nearly 5 percent. The committee has gone along with this reduction, in view of the urgent need to curtail Federal expenditures wherever possible. It believes, however, that this is a rather substantial cut in view of the fact that the appropriations of the Department have been carefully held down through the years. Since 1940, the regular funds of the Department have been reduced by 32 percent, while appropriations for the balance of the Federal civilian departments and agencies have increased 110 percent.

In arriving at final decisions on amounts recommended in the accompanying bill, the committee has taken into consideration testimony from Department of Agriculture witnesses to the effect that many of the reductions proposed in the 1955 Budget were made on an arbitrary and unrealistic basis. Under cross examination, many of these witnesses frankly admitted that they were not in accord with the reductions they were asked to support, since such reductions were the result of the imposition of arbitrary ceilings, rather than the elimination of unessential activities or other administrative savings.

FREEZING OF APPROPRIATIONS

Another development deplored by the committee was the arbitrary action taken last fall to freeze the funds of many of the "action" agencies. This action was taken only a few months after the Department had presented testimony to the committee strongly supporting amounts even in excess of the funds finally approved by Congress for the current fiscal year. Reference is made particularly to the freezing of over $1 million of the funds of the Farmers Home Administration at the expense of essential field activities, which money was eventually turned over to the Extension Service to meet penalty mail costs.

The committee believes that such action is a breach of faith with the Congress and seriously damages confidence and working relationships. It is of the opinion that transfers of funds between agencies should be restricted to the limits allowed by law in the future, unless prior clearance is obtained from appropriate Congressional committees.

The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not agree with impounding of funds where it destroys the intent of Congress as to the size and nature of the programs of such agencies as the Soil Conservation Service, the Farmers Home Administration, the Rural Electrification Administration, the Forest Service, and the pest and disease control activities.

AGRICULTURAL RESEARCH SERVICE

Appropriations, 1954	$78, 734, 723
Estimates, 1955	86, 265, 708
Recommended, 1955	82, 059, 453
Comparison:	
1954 appropriations	+3, 324, 730
1955 estimates	−4, 206, 255

The Agricultural Research Service conducts all of the production and utilization research of the Department (except forestry research), and the inspection, disease and pest control, and eradication work associated with this research. The Administrator of this Service is responsible for the coordination of all research of the Department.

Research.—The committee recommends a total of $33,154,365 for 1955, a reduction from the Budget of $2,198,635 and an increase of $252,000 over appropriations for 1954. This increase provides $50,000 for research on Nematodes, $150,000 for research on irrigation in arid and humid areas, $75,000 for research on cotton utilization, and $15,000 for research on cheese mites. These increases are offset by a reduction of $38,000 for the National Arboretum. While the committee recognizes the importance of the various other items for which increases have been requested in the budget, it believes that such work should be undertaken within funds presently available.

Plant and animal disease and pest control.—The committee recommends a total of $17,461,380 for 1955, a decrease of $459,270 below the 1954 appropriation and an increase of $2,461,380 over the Budget. The decrease includes the following reductions: Citrus blackfly and Mexican fruitfly control, $29,500; Hall scale eradication, $35,200; grasshopper and Mormon cricket control, $19,100; detection and advisory service, $87,600; emergency outbreaks of insects and plant diseases, $200,000; Insecticide, Fungicide, and Rodenticide Act, $76,763; plant quarantine, $86,400; eradicating scabies, $18,547; eradicating cattle ticks, $58,552; control of virus, serums, toxins, etc., $41,808; and administration of the Process Butter Act, $5,800.

Offsetting these decreases, the bill provides an increase of $200,000 for the payment of indemnities under the tuberculosis and brucellosis eradication programs. In view of the seriousness of the threat to the health of the people of the country from these two animal diseases, the committee feels that at least $1,000,000 should be set aside to make certain that adequate funds are available for such indemnity payments next year. It is expected that, because of lower income to dairy farmers, considerable culling of dairy herds should result. This in turn will increase the need for a larger indemnity fund than in previous years because of the probable slaughter of many more reactors than has occurred in the past. This action is not intended to increase the level of payments under the program.

The committee urges the Department to get together with the States at the earliest possible date and work out a satisfactory long-range policy with regard to these control programs. It feels that, if the work is needed and there is definitely a national interest, there should not be any withdrawal of existing Federal support, unless the program can best be carried on by the States. It also feels that satisfactory arrangements must be worked out well in advance with the States, if it is finally decided to withdraw Federal support, and congressional approval should be secured prior to adoption of any final plans.

Meat inspection.—The committee recommends $14,190,000 for this program for 1955, a continuation of the level of operation for 1954. This is a decrease of $135,000 from the Budget. Latest statistics available to the committee indicate a gradual decrease in volume of federally inspected meat instead of an increase as indicated in Department testimony.

Payments to States, Hawaii, Alaska, and Puerto Rico.—The committee recommends a total of $15,453,708 for grants to the State Experiment Stations for 1955. This is a reduction of $4,000,000 below the Budget and an increase over 1954 of $1,732,000. The increase will provide an additional $1,500,000 for production research and $232,000 additional for research on marketing problems.

Foot and mouth and other contagious diseases of animals and poultry.—A budget estimate of $2,134,000 was received on March 26 (H. Doc. No. 357) to permit the Department to initiate research on foot-and-mouth disease in the laboratory on Plum Island, New York. The Chemical Corps of the Department of the Army contemplates transferring all facilities under its control on Plum Island to the Department of Agriculture on July 1, 1954 for such research work. The committee recommends an appropriation for 1955 of $1,800,000 for this purpose.

EXTENSION SERVICE

Appropriations, 1954	$35, 294, 564
Estimates, 1955	43, 600, 000
Recommended, 1955	38, 876, 514
Comparison:	
1954 appropriations	+3, 581, 950
1955 estimates	−4, 723, 486

The function of the Extension Service is to take research results and program facts of the Department of Agriculture and State Agricultural Colleges and Experiment Stations to rural people in a manner that effectively meets the farm and family needs. The Cooperative Extension Service is financed from Federal, State, county and local sources. The funds are used within the States for the employment of county agents, home demonstration agents, 4–H Club agents, state specialists and others who conduct among rural people the joint educational programs of the Department.

Payments to States, Hawaii, Alaska, and Puerto Rico.—The sum of $35,610,279 is recommended for 1955 for payments to State Land-Grant Colleges for extension activities. This is a decrease of $4,064,721 below the budget estimate but an increase of $3,361,950 over funds available for the current fiscal year. The increase provides an additional $3,000,000 for cooperative agricultural extension work and $395,000 for payments to states under the Agricultural Marketing

Act of 1946, offset by a reduction of $33,050 due to absorbing farm housing activities within regular activities.

Federal Extension Service.—The committee recommends $3,266,235 for 1955, an increase of $220,000 over funds available for 1954 and a decrease of $658,765 in the Budget. The increase provides an additional $200,000 to meet penalty mail costs and $20,000 for the employment of two field representatives to represent the Federal Extension Service in relations with Presidents, Deans, and Directors in the Land-Grant Colleges and Universities.

FARMER COOPERATIVE SERVICE

Appropriations, 1954	$408, 000
Estimates, 1955	408, 000
Recommended, 1955	408, 000

The Farmer Cooperative Service, formerly the Cooperative Research and Service Division of the Farm Credit Administration, was transferred to the Department of Agriculture by the Farm Credit Act of 1953. The Service performs research in connection with and renders technical assistance to associations of producers of agricultural products and federations and subsidiaries thereof engaged in the cooperative marketing of agricultural products.

The committee recommends a continuation of the program of this Service at the 1954 level.

FOREST SERVICE

Appropriations, 1954	$78, 117, 408
Estimates, 1955	71, 601, 500
Recommended, 1955	72, 284, 954
Comparison:	
1954 appropriations	−5, 832, 454
1955 estimates	+683, 454

The Forest Service is charged with the responsibility for promoting the conservation and wise use of the country's forest and related watershed lands, which comprise one-third of the total land area of the United States. It engages in four main lines of work: (1) management, protection, and development of the National Forests, (2) cooperation with States and private forest landowners in connection with fire protection, forest tree planting, and forest management, (3) forest and range research, and (4) control of forest pests.

Salaries and expenses.—A total of $47,103,264 is recommended for 1955, including $30,132,700 for protection and management of the National Forests, $6,000,000 for fighting forest fires, $4,800,000 for control of forest pests, and $6,170,564 for forest research. This amount is $5,757,454 below the 1954 appropriations and $624,764 over the Budget.

Of the reductions of $2,026,700 proposed in the Budget for protection and management activities, the committee has agreed to cuts totaling $829,000. This includes reductions for the following items: maintenance of improvements, $150,000; personnel reductions and consolidations of certain National Forests and ranger districts, $212,300; development of land utilization projects, $513,000; reforestation, $20,000; range revegetation, $65,000; and acceleration of flood prevention measures, $88,400.

Offsetting these reductions, the committee has inserted an additional $219,700 to meet the urgent need for increased timber sales.

The committee feels that these funds should be used partially to strengthen the timber sales staff by bringing in persons with background in the promotion of timber sales and the handling of the business aspects of such sales. It is the committee's opinion that the Federal Government is not getting as good prices for its timber as it could with a stronger sales staff.

Decreases totaling $486,354 are recommended for control of forest pests as follows: Leadership, coordination, and technical direction of white-pine blister rust control, $60,000; white-pine blister rust control on National Forests, $176,354, and on Interior Department lands, $100,000; and forest pest control, $150,000.

The increase of $57,900 recommended for research includes an additional $100,000 for forest genetics investigations, an additional $20,000 for research to improve methods of marketing farm forest products, offset by a decrease of $62,100 for research on forest insects.

The elimination of language restricting research outside the United States has been approved as recommended in the Budget. The committee wishes to be consulted in advance, however, relative to proposals to engage in such work in any foreign country other than Canada.

Forest roads and trails.—The 1954 appropriation of $14,498,000 is recommended for 1955. This is a decrease of $1,502,000 below the Budget. The amount recommended includes $7,500,000 for construction of roads and trails in Washington and Oregon and other areas where there is an urgent need to salvage timber due to serious insect epidemics. While these funds were justified primarily for the Washington-Oregon area, it is not the intention of the committee to restrict their use to this region, where serious epidemics in other areas warrant the use of a portion of the funds.

Acquisition of lands for national forests.—The committee recommends the restoration of the full appropriation of $75,000 for acquisition of lands under the Weeks Act, together with restoration of $10,000 for acquisition of lands from National Forests receipts in the Cache National Forest in Utah.

State and private forestry cooperation.—An appropriation of $10,608,690 is recommended for 1955, a decrease of $75,000 below the appropriation for 1954 and an increase of $1,485,690 above the Budget. This amount will permit full restoration of the proposed cuts for forest tree planting and forest management and processing, and will restore all but $75,000 of the budget reduction for forest fire control.

Cooperative range improvements.—The budget estimate of $281,000 is recommended for 1955, a decrease of $250,000 below 1954. This item represents the appropriation of a portion of the grazing fees from the National Forests received during 1953, for the purpose of protecting and improving the productivity of the ranges. The funds are used primarily for construction and maintenance of fences, stock-watering facilities, bridges, corrals, and driveways.

SOIL CONSERVATION SERVICE

Appropriations, 1954	$71, 486, 279
Estimates, 1955	66, 117, 000
Recommended, 1955	70, 627, 671
Comparison:	
1954 appropriations	−858, 608
1955 estimates	+4, 510, 671

The Soil Conservation Service assists soil conservation districts and other cooperators in providing technical aid to farmers and ranchers in bringing about physical adjustments in land use that will conserve soil and water resources, provide economic production on a sustained basis, and reduce damages by floods and sedimentation. The Service also developes and carries out special drainage, irrigation, flood prevention, and watershed protection programs in cooperation with soil conservation districts, watershed groups, and other Federal and State agencies having related responsibilities.

Conservation operations.—The committee recommends an appropriation of $58,165,671 for 1955, a reduction of $653,608 below the 1954 appropriation but an increase of $3,267,671 in the budget estimate. The committee does not agree with the proposed reduction in the number of area field offices and has restored $1,077,671 to provide for continuation of the present offices. In addition, it has added $2,190,000 to permit staffing of the 76 new districts which are being established in the fiscal year 1954 and the 67 districts which are expected to come into existence during the 1955 fiscal year. The committee expects the Secretary to follow the action of Congress in this recommendation.

In accordance with the plan adopted last year for a substantial reduction in the soil conservation nursery program, the Department will have turned over to States or local agencies all but nine of its original 24 nurseries by the end of the current fiscal year. Of the nine nurseries which are being retained under Federal control to serve as permanent experimental stations in the various areas of the country, five will be operated by non-Federal cooperating agencies where satisfactory working agreements have been worked out. The remaining four will continue to be operated as research and observational facilities by the Department.

Funds for necessary information service at the national level and in the field to assist State offices shall be available from this appropriation.

Watershed protection.—The budget estimate of $5,000,000 is recommended again for 1955 to permit the continuation of this "pilot plant" program initiated last year. The present program includes some 65 small upstream watersheds in nearly every State in the Union. The total estimated cost at time of completion is $28,706,000. The unanimous approval by the Congress this year of further legislation on this subject indicates the wide-spread support for this essential work.

Flood prevention.—The committee recommends $6,982,000 for 1955, the full appropriation authorized for 1954. This amount will permit the continuation of works of improvement at slightly in excess of the 1954 level, in view of the decrease proposed in survey work. The committee agrees with the budget increase included for general basin investigations work in the Arkansas-White-Red and New England-New York areas.

The flood prevention work in the eleven authorized watersheds consists of the installation of measures primarily for flood prevention financed from this appropriation, together with acceleration of the application of complementary conservation land treatement and forestry measures contributing to flood prevention financed from other appropriations of the Department, principally from the Conservation Operations appropriation of the Soil Conservation Service. The latter

funds are available for such additional technical assistance to soil conservation districts, landowners and operators, and related materials and land treatment work as is necessary for maximum flood prevention progress in these watersheds.

Water conservation and utilization projects.—The budget estimate of $480,000 is recommended for 1955, a reduction of $205,000 below the appropriation for 1954. This reduction is made possible by the completion of the two Buffalo Rapids projects in Montana and the Buford-Trenton project in North Dakota, and by a reduction in level of operations on the Angostura project in South Dakota and the Eden Valley project in Wyoming. It is estimated that this entire program will be completed by the end of the fiscal year 1957.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Appropriation, 1954	$211, 982, 000
Estimate, 1955	195, 000, 000
Recommended, 1955	191, 700, 000
Comparison:	
1954 appropriation	−20, 282, 000
1954 estimate	−3, 300, 000

The purpose of this program is to (1) restore and improve soil fertility, (2) reduce erosion caused by wind and water, and (3) conserve water on land. To effectuate these purposes, the Agricultural Conservation Program offers cost-sharing assistance to individual farmers and ranchers in all of the 48 states, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for carrying out approved soil-building and soil and water conserving practices on their farms.

The committee recommends the sum of $191,700,000 for 1955, which is $20,282,000 below 1954 and $3,300,000 below the budget estimate. This reduction, which is based on testimony indicating that there will be an unobligated balance of 3.3 million dollars at the end of the program year, will have no effect on the ability of the Department to meet its commitments made in connection with the program announced for the 1954 crop year.

An advance authorization of $250,000,000 for the 1955 crop year is approved, as recommended in the budget estimate submitted in House Document No. 352. The language in the accompanying bill provides that $55,000,000 of this amount shall be placed in reserve until the Congress has adopted a program relative to the use of lands diverted from production.

The committee recognizes the urgent need for the adoption of a program designed to remove acreage from crop production and place these acres in a soil conserving reserve status. This will not only be an effective means of reducing further accumulations of commodity surpluses, but will also contribute to a balanced program of farming needed to assure a productive agriculture which, in the near future, will be called upon to meet the increased food requirements of a population growing at the rate of 2.6 million each year.

The committee realizes the importance of establishing good soil conserving practices on land taken out of production under such a diverted acreage program, and believes that special attention should be given to these problems under the Agricultural Conservation Program. It feels strongly that, in the interests of economy and good soil conservation, the sum of $55 million is entirely inadequate to do the job. It has included no more than this amount—the budget

estimate—since a program must be finally determined before the amount of funds needed for the diverted acreage program can be ascertained. When the final program is developed, the amount provided, $55 million, will have to be supplemented.

AGRICULTURE MARKETING SERVICE

Appropriations, 1954	$105, 042, 955
Estimates, 1955	90, 800, 155
Recommended, 1955	98, 590, 371
Comparison:	
1954 appropriation	−6, 452, 584
1955 estimate	+7, 790, 216

The Agricultural Marketing Service is organized to aid in advancing the orderly and efficient marketing and the effective distribution of products from the Nation's farms. The marketing and distribution functions of the Department, which are centered in this Service, include research and development of agricultural marketing and distribution; analyses relating to farm prices, income and population, and demand for farm products; crop and livestock estimates and related statistical and economic research; market news service; standardization, inspection, grading and classing of farm products; freight rate assistance; marketing and regulatory acts (including marketing agreements and orders); cooperative programs in marketing; the National School Lunch program; surplus removal programs under section 32 of the Agricultural Adjustment Act; food trade activities; and other assigned responsibilities related to agricultural marketing and distribution.

Marketing research and service.—A total of $20,564,300 is recommended for 1955, an increase of $99,047 over 1954 and a decrease of $894,200 below the Budget. The increase of $398,600 recommended for marketing research and agricultural estimates includes $223,600 for development of new markets, $75,000 for development of estimates of farm production expenditures and net farm income, and $100,000 for crop and livestock estimates. The reduction of $299,553 for marketing services includes all decreases recommended in the Budget, with the exception of $220,000 for inspection services for fresh fruit and vegetables, which has been reinstated. This is a voluntary inspection service to stimulate good shipping and marketing practices and the committee does not feel that the appropriation cut and increase in inspection fees is warranted.

In view of the wide variation in percentage of inspection costs recovered from fees for the various agricultural commodities, the committee strongly urges the House Committee on Agriculture to consider recommending new legislation designed to develop a more uniform policy as to assessing fees for such inspection service.

Payments to States, Territories, and possessions.—The 1954 appropriation of $573,000 is recommended for 1955. The reduction of $327,000 below the budget estimate is proposed because of the increases allowed elsewhere in the bill for marketing research.

Repayment to Commodity Credit Corporation.—The budget estimate of $441,655, a reduction of $326,850 below the current year's appropriation, is provided to reimburse the Commodity Credit Corporation for costs incurred for inspecting and grading tobacco under the Tobacco Inspection Act of 1935 and for classing cotton under the

Smith-Doxey Act of 1937. This reimbursable arrangement was established several years ago when it became apparent that it was less costly to finance these services through Commodity Credit Corporation funds than to establish full-time, year-round offices under regular appropriations. The amount recommended represents a reimbursement for costs incurred during the fiscal year 1953.

The budget for the USDA for tobacco grading and related demonstration activities, which are of substantial assistance to farmers in preparing their tobacco for market, would eliminate practically all demonstration work in fiscal year 1955 as well as continue current per diem practices which force tobacco inspectors to cover their own living costs in cases where they are away from their official stations more than 60 days. The committee feels that adequate demonstration activities should be continued and that some correction should be made in the per diem practices in the interest of maintaining the grading work which is so important to the marketing of all tobacco as well as the administration of the tobacco price-support program.

Since the section on "Marketing Services" in the Appropriation Act for 1952 (Public Law 135, 82d Cong., Aug. 31, 1951) authorizes supplemental advances from the Commodity Credit Corporation to meet tobacco grading costs, a change in the appropriation bill is not necessary to provide the additional funds needed for the activities indicated above, which are an integral part of the grading work, and which the committee expects will be covered by the authorized advances.

School-lunch program.—The committee recommends a total appropriation of $77,011,416, an increase of $9,011,416 over the budget and a decrease of $6,224,781 below the 1954 appropriation.

The Budget recommends the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act, for which $15,000,000 was appropriated in 1954. The committee disagrees with the Budget and recommends the restoration of $9,011,416 for this purpose in 1955, the maximum amount possible within the overall budget total.

The purchase of foods under section 6 has helped schools meet nutritional requirements and provide a balanced diet. While there has been an increase in the amount of surplus commodities acquired for school-lunch programs with section 32 funds, a great many such commodities are not identical in kind or in nutritional characteristics with those purchased under section 6. In order to meet nutritional requirements and provide a balanced diet there is still a vital need for section 6 purchases, particularly fruits and vegetables.

Furthermore, section 6 purchases have been comprised for the most part of commodities which have sought to solve their production problems without the aid of Federal price support programs.

FOREIGN AGRICULTURAL SERVICE

Appropriation, 1954	$840,900
Estimate, 1955	965,000
Recommended, 1955	965,000
Comparison: 1954 appropriation	+124,100

The Foreign Agricultural Service administers the foreign agricultural programs of the Department and develops plans and policies related to the administration of the foreign affairs and interests of

United States Agriculture. The primary objectives of the Service are to develop foreign markets and encourage foreign trade, and administer import controls on designated agricultural commodities.

Under the present domestic situation in which American agriculture finds itself, the committee has looked with favor on the obvious accent on all phases of marketing in the Department's budget. Within the boundaries which the present debt limit imposes, it has tried to allow amounts that have been programed and budgeted in that direction. It is recognized that foods, fibers, and forage in storage now and those to be produced this year must be moved. They must be consumed either here at home, or abroad.

In connection with the latter alternative, the committee recognizes the healthy emphasis on foreign trade for Agriculture that the reorganization of the Department has provided and, therefore, has allowed the full budget estimate for 1955. Moreover, the committee feels that "section 32" funds should be utilized to the maximum for removal of surplus stocks and the regaining and maintenance of historical foreign markets at this time.

If the new-born Foreign Agricultural Service is to thrive and succeed every encouragement must be given to present planning for that Service's usefulness and the training of new men for an effective service.

COMMODITY EXCHANGE AUTHORITY

Appropriation, 1954	$692, 273
Estimates, 1955	673, 000
Recommended, 1955	673, 000
Comparison: 1954 appropriation	−19, 273

The major objectives of this organization are to prevent commodity price manipulation and corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations or producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The decrease recommended in the bill for 1955 will be absorbed by deferring the institution of certain special reports and by not putting into effect certain controls previously proposed.

COMMODITY STABILIZATION SERVICE

Appropriations, 1954	$103, 920, 287
Estimates, 1955	102, 100, 000
Recommended, 1955	99, 600, 000
Comparison:	
1954 appropriations	−4, 320, 287
1955 estimates	−2, 500, 000

The Commodity Stabilization Service has responsibility for the Commodity Credit Corporation, acreage allotments and marketing quotas, the Sugar Act, the International Wheat Agreement, the ASC State and county offices, procurement of commodities under section 32

of the Agricultural Adjustment Act and section 6 of the National School Lunch Act, and various related activities.

Agricultural adjustment programs.—The committee recommends $40,000,000 for 1955, which is $4,312,000 below the 1954 appropriation and $2,500,000 below the budget estimate. In view of indications that fewer farmers will participate in the acreage-control programs next year, the committee feels that the funds provided are adequate.

The budget proposal to eliminate language relating to providing advice and assistance to selective service authorities has been agreed to. It should be clearly understood, however, that this action in no way affects the authority of National, State, and county committee officials to perform this service wherever necessary.

Sugar Act.—The budget estimate of $59,600,000 is recommended for 1955. These funds, which are expended under the Sugar Act of 1948, are used to establish consumption requirements, administer quotas and make payments to domestic producers of cane and beet sugar who meet specified conditions. Funds provided for this purpose are based entirely on projected production estimates. From the inception of the program in 1938 through the fiscal year 1953, collections of excise and import taxes under this program have exceeded expenditures by $269,173,947.

FEDERAL CROP INSURANCE CORPORATION

Appropriation, 1954	$7, 450, 000
Estimate, 1955	5, 700, 000
Recommended, 1955	5, 700, 000
Comparison: 1954 appropriation	−1, 750, 000

The Federal Crop Insurance Corporation was created to furnish protection for the farmer's investment in producing crops against loss from unavoidable causes. The program provides farmers with a measure of financial security against production risks which cause unavoidable loss from such causes as drought, flood, hail, wind, frost, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, and plant disease.

The budget estimate of $5,700,000 is recommended for 1955, a reduction of $1,750,000 below the funds provided for the current fiscal year. This budget reduction has been proposed on the basis of two factors: (1) no additional counties will be added to the program in 1955, and (2) the cost of crop inspections and loss adjustments will be transferred to premium income during the fiscal year 1955 for the first time.

In view of the fact that the program has not expanded as fully as expected, there is some possibility that the increase in premiums due to this change in policy will reduce coverage and further hurt chances of success of the program. The committee is agreeing to the proposed change for 1955 in order to give officials of the Department an opportunity to operate on the new basis. However, it will watch developments closely before agreeing to such a change on a permanent basis.

The committee has not agreed to the proposal to charge a portion of the cost of contract sales to premium income. It feels that all field employees of the Department should help in the promotion of this program and in the writing of insurance contracts in connection with their regular duties.

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

Authorizations, 1954	$202,500,000
Estimates, 1955	130,000,000
Recommended, 1955	175,000,000
Comparison:	
1954 authorizations	−27,500,000
1955 estimates	+45,000,000

Salaries and expenses

Appropriation, 1954	7,554,250
Estimate, 1955	7,085,000
Recommended, 1955	7,285,000
Comparison:	
1954 appropriation	−269,250
1955 estimate	+200,000

The Rural Electrification Administration conducts two major lending programs: (1) The rural electrification program to provide electric service to farms and other rural establishments; and (2) the rural telephone program to furnish and improve telephone service in rural areas. Loans for construction of electric and telephone facilities are self-liquidating within a period not to exceed 35 years, with interest at 2 percent.

The committee recommends $100,000,000 for electrification loans for 1955, a decrease of $35,000,000 below the current year and an increase of $45,000,000 over the Budget. This amount, together with an estimated carryover of $45,000,000, probable recisions of $5,000,000, and a contingency fund of $35,000,000, will make a total of $185,000,000 available for electrification loans during the coming year.

The budget estimate of $75,000,000, an increase of $7,500,000 over 1954, is recommended for the telephone program for 1955. The rapid increase in telephone applications being received requires additional funds over the current level, if this program is not to be unduly restricted.

The committee feels that adequate funds should be made available each year to meet bona fide applications. These amounts are provided in the form of authorizations to borrow from the Treasury, rather than as direct appropriations, and therefore are merely ceilings on amounts which may be drawn from the Treasury at such time as loans are approved. Since unused loan authority has no effect on the national debt, and since amounts borrowed are eventually repaid to the Treasury with interest, it is believed to be wise policy to provide borrowing ceilings which are high enough to meet all legitimate loan needs.

For salaries and expenses, the committee recommends $7,285,000, an increase of $200,000 in the budget estimate and a decrease of $269,250 below 1954. The additional funds are provided to handle the recommended increase for loan authorization relative to the electrification program, and to expedite the handling of the large backlog of loan applications on hand.

The committee has had reported to it many instances where private power sources are placing more and more restrictions on the activities of REA cooperatives as a condition to negotiating contracts to supply the necessary power. Many times contracts offered by the private

power companies are on a year-to-year basis. In the opinion of the committee, REA cooperatives are entitled to a firm source of power at reasonable rates and on a dependable basis, with the full right to operate on a basis which will render maximum service to eligible consumers. The committee feels that the administrator's authority to provide loans for power generation should be fully utilized, if necessary, in order to assure adequate power to REA cooperatives on a reasonable basis.

FARMERS HOME ADMINISTRATION

Loan authorizations

Authorizations, 1954	$182,000,000
Estimates, 1955	145,500,000
Recommended, 1955	145,500,000
Comparison: 1954 authorizations	−36,500,000

Salaries and expenses

Appropriation, 1954	$26,737,000
Estimate, 1955	22,250,000
Recommended, 1955	23,750,000
Comparison:	
1954 appropriation	−2,987,000
1955 estimate	+1,500,000

The Farmers Home Administration performs the following activities: (1) It makes direct farm ownership loans to farm tenants, farm laborers, sharecroppers, and other individuals, for the purchase, enlargement or development of family size farms; (2) It insures 40-year farmer ownership loans made by private lenders up to 90 percent of the normal value of the farm and necessary improvements; (3) It makes production and subsistence loans to farmers and stockmen for farm operating expenses and other farm needs, including the refinancing of indebtedness and family subsistence; (4) It makes loans for the construction, repair, or improvement of water facilities in the arid or semi-arid of the 17 Western States; and (5) It makes emergency loans to farmers and stockmen in designated areas where a disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

The loan authorization recommended for 1954 includes $19,000,000 for farm ownership loans, $120,000,000 for production and subsistence loans, and $6,500,000 for water facilities loans. This is a decrease of $36,500,000 below funds available for 1954, $16,500,000 of which is for farm housing loans for which basic legislation expires June 30, 1954, and $20,000,000 of which is a special fund for production and subsistence loan funds made available last year in connection with the emergency drought relief authorization included in Public Law 175. If further needs for these two programs develop at a later date, it will be necessary to handle them as supplemental requirements.

The increase of $1,500,000 for salaries and expenses has been added to assure adequate personnel in State and county offices to provide needed assistance to the borrowers and to maintain adequate protection of the Government's investment of around $750 million in this program. The committee has been impressed with the record of the Farmers Home Administration in assisting needy farm families to become established in enterprises that are economic and sound, and feels

that its success is due to the fact that it has actively supervised the loans it has made. The making of loans to properly safeguard the borrower's interest and the security of the Government demands careful scrutiny, good judgment and a complete understanding of farm and home management.

The Congress has over the years approved the supervised lending program of this agency, and the committee feels that adequate personnel of the State and county level concerned with the supervisory aspects of the agency's programs must be maintained. The committee is concerned with the proposal that the number of district supervisors be lowered. It is felt that the employment of personnel with training and knowledge of market values, farm and home practices and good judgment will protect the interests of the Government, lead to sound economic loans, and encourage better farm family living. This is particularly true in a period of declining farm prices and small operating margins for the agricultural producer.

Testimony received during committee hearings indicates that it is proposed to utilize the home demonstration agents of the Extension Service to perform the functions which have been provided by home supervisors of FHA. The committee feels that this is not a practical proposal, since the type of people served by the Extension Service are not the same as those which utilize the facilities of the Farmers Home Administration, the objectives of the two programs are not the same, and the training and background of the personnel of the two agencies is not the same. The committee also feels that an adequate number of appraisers must be maintained to make certain that the program is operated on a sound basis. In this connection it should be pointed out that a loan program of this type, which has such an outstanding repayment record, is far more desirable and less costly to the taxpayer that an outright relief program which would be the only alternative.

OFFICE OF THE SOLICITOR

Appropriation, 1954	$2,311,000
Estimate, 1955	2,098,000
Recommended, 1955	2,000,000
Comparison:	
1954 appropriation	−311,000
1955 estimate	−98,000

The Solicitor's Office is the official law office of the Department of Agriculture and, as such, performs all of the legal work arising from the activities of the Department.

The reductions recommended for this office can be accomplished by the utilization of lower grade personnel for more of the routine work. This should enable the Office to operate with fewer but better paid lawyers.

OFFICE OF THE SECRETARY

Appropriation, 1954	$2,188,000
Estimate, 1955	2,119,000
Recommended, 1955	2,050,000
Comparison:	
1954 appropriation	−138,000
1955 estimate	−69,000

This appropriation includes funds for the immediate office of the Secretary, the Office of Personnel, the Office of Budget and Finance, the Office of Plant and Operations, and the Office of Hearing Examiners.

The committee feels that further administrative savings in all of the various offices included in this appropriation item will make possible the reductions recommended.

OFFICE OF INFORMATION

Appropriation, 1954	$1,251,000
Estimate, 1955	968,000
Recommended, 1955	1,180,400
Comparison:	
1954 appropriation	−70,600
1955 estimate	+212,400

The Office of Information has general direction and supervision over all publications and other information policies and activities of the Department, including the editorial work, illustrating, printing, and distribution of publications, clearance and release of press, radio, and magazine materials, and the preparation and distribution of exhibits and motion pictures.

The increase over the Budget results from the reinstatement of $228,000 for the Yearbook of Agriculture and the denial of the proposed increase of $15,600 for additional work on preparation and distribution of agricultural information by television. The committee feels that the continuation of the Agriculture Yearbook is equally as important as placing increased emphasis on research and educational activities of the Department. The Agricultural Yearbook is one of the principal means of making the findings of the research programs available to agricultural producers.

The committee understands that the proposed Yearbook for 1955 will deal with the subject "Soil and Water Management." In view of the urgent need for more intensive soil conservation and watershed protection work throughout the Nation, a publication on this subject should make a very valuable contribution to the future prosperity and welfare of the country.

LIBRARY

Appropriation, 1954	$681,800
Estimate, 1955	659,950
Recommended, 1955	659,950
Comparison: 1954 appropriation	−21,850

The Library of the Department of Agriculture procures and preserves all printed information concerning agriculture. By law and by cooperative agreement with the Library of Congress, this library serves as the National Agricultural Library of the country.

The reduction proposed for this activity will be met by reductions in the number of publications procured, the number of volumes to be bound, the lending and reference service, and the administrative services function.

COMMODITY CREDIT CORPORATION

Authorization, 1954	$19, 100, 000
Estimate, 1955	18, 000, 000
Recommended, 1955	18, 000, 000
Comparison: 1954 authorization	−1, 100, 000

The regular bill for 1954 provided $17,100,000 for this program. This was increased to $19,100,000 in the Third Supplemental for 1954, because of the large increase in volume of loans for and purchases of wheat, cotton, corn, and dairy products during recent months. It is expected that this volume will decrease somewhat during the coming year, although the committee recognizes the difficulty in predicting a year in advance the workload volume which determines the amount of funds required for this activity.

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

Appropriation, 1954	$439, 500
Estimate, 1955	331, 500
Recommended, 1955	331, 500
Comparison: 1954 appropriation	−108, 000

The Strategic and Critical Materials Stockpiling Act of 1946 authorizes and directs the Secretary of Agriculture to make scientific, technologic, and economic investigations of the feasibility of developing domestic sources of agricultural material or substitutes for such materials determined to be strategic and critical. This appropriation is to enable the Department to carry out its responsibilities under this act.

The decrease recommended results from the elimination of all research on domestic production of guayale and other natural rubber. The research programs on vegetable tannins, vegetable fats and oils, and fiber plants will continue in 1955 at the 1954 level.

FARM CREDIT ADMINISTRATION

Authorizations, 1954	$6, 160, 500
Estimates, 1955	6, 305, 000
Recommended, 1955	6, 250, 000
Comparison:	
1954 authorizations	+89, 500
1955 estimates	−55, 000

The Farm Credit Administration provides supervision, examination, facilities and services to a coordinated system of Farm Credit banks and corporations which make loans to farmers and their cooperatives. The Administration was established as an independent agency under the direction of a Federal Farm Credit Board on December 4, 1953, by the Farm Credit Act of 1953. At that time the Cooperative Research and Service Division was transferred to the Department of Agriculture and reestablished as the Farmer Cooperative Service.

Funds recommended for operation of the Administration and its member institutions total $6,250,000. This includes $2,320,000 for the parent organization, the Farm Credit Administration, $650,000 for the Federal Farm Mortgage Corporation, $1,740,000 for the Federal intermediate credit banks, and $1,540,000 for the Production credit corporations. The amount recommended is an increase of $89,500 over 1954 and a decrease of $55,000 below the budget estimate.

Of the increase, $64,500 is provided to meet expenses of the new Board and to cover additional expenses resulting from the separation

of the Farm Credit Administration from the Department of Agriculture. The increases of $50,000 for the Federal intermediate credit banks and $75,000 for the Production credit corporations are recommended to assure more thorough screening of loans to assure sound and stable agricultural credit during the present period of declining farm incomes. The three increases are offset by a reduction of $100,000 for the Federal Farm Mortgage Corporation.

GENERAL PROVISIONS

The general provisions contained in the accompanying bill are substantially the same as those which have been included for the past several years. The minor change in section 506, which establishes a minimum amount for research contracts, and the addition of section 509, which provides for the payment of advisory committees for research and service work, result from a change in appropriation structure recently adopted by the Department.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in any appropriation act are included in the bill:

On page 3, line 2, in connection with the Agricultural Research Service:

of which not to exceed $20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Georgia

On page 7, line 14, in connection with the Extension Service:

Provided, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year

On page 22, line 14, in connection with the Agricultural Conservation Program:

but of this amount not more than $195,000,000 may be used until a final program has been adopted relative to the use of acreage diverted from production

On page 24, line 1, in connection with the Agricultural Conservation Program:

Provided further, That in carrying out the 1955 program the Secretary shall give particular consideration to the conservation problems on farm lands diverted from crops under acreage-allotment programs

On page 28, line 7, in connection with the Sugar Act Program:

of which $77,000 shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use as may become necessary for applying restrictive proportionate shares on the 1955 beet crop

On page 34, line 17, in connection with Federal Crop Insurance Corporation:

Provided, That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses

On page 41, line 15, in connection with General Provisions:

Sec. 509. Appropriations of the Department available for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629) shall be available for expenses of any advisory committee established as provided in title III of said Act to assist in effectuating the research and service work of the Department.

PERMANENT AUTHORIZATIONS

Ageney and item	Authorizations, 1954	Estimates, 1955	Increase or deerease
Forest Service:			
Expenses and refunds, brush disposal	$2, 600, 000	$2, 600, 000	
Forest-fire prevention	25, 000	35, 000	+$10, 000
Payments to Minnesota, national forests fund	45, 332	45, 332	
Payments to counties, submarginal land program	437, 500	362, 500	−75, 000
Payments to school funds, Arizona and New Mexico	122, 755	122, 755	
Payments to States and Territories, national forests fund	18, 649, 794	18, 800, 000	+150, 206
Roads and trails for States, national forests fund	7, 460, 971	7, 520, 000	+59, 029
Total, Forest Service	29, 341, 352	29, 485, 587	+144, 235
Agricultural Marketing Service:			
Perishable Agricultural Commodities Act fund	410, 000	410, 000	
Removal of surplus agricultural commodities	169, 954, 002	180, 000, 000	+10, 045, 998
Total, Agricultural Marketing Service	170, 364, 002	180, 410, 000	+10, 045, 998
Total, permanent appropriations	199, 705, 354	209, 895, 587	+10, 190, 233

LOAN AUTHORIZATIONS

(TITLE I)

Agency and Item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 authorizations	1955 estimates
Rural Electrification Administration:					
Electrification	$135, 000, 000	$55, 000, 000	$100, 000, 000	−$35, 000, 000	+$45, 000, 000
Telephone	67, 500, 000	75, 000, 000	75, 000, 000	+7, 500, 000	
Total, Rural Electrification Administration	202, 500, 000	130, 000, 000	175, 000, 000	−27, 500, 000	+45, 000, 000
Farmers' Home Administration:					
Farm ownership and housing	35, 500, 000	19, 000, 000	19, 000, 000	−16, 500, 000	
Production and subsistence	140, 000, 000	120, 000, 000	120, 000, 000	−20, 000, 000	
Water facilities	6, 500, 000	6, 500, 000	6, 500, 000		
Total, Farmers' Home Administration	182, 000, 000	145, 500, 000	145, 500, 000	−36, 500, 000	
Total, loan authorizations	384, 500, 000	275, 500, 000	320, 500, 000	−64, 000, 000	+45, 000, 000

CORPORATE ADMINISTRATIVE EXPENSE LIMITATIONS

(TITLE II)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 authorizations	1955 estimates
Commodity Credit Corporation	[1] $19, 100, 000	$18, 000, 000	$18, 000, 000	−$1, 100, 000	

[1] Includes $2,000,000 contained in the Third Supplemental, 1954.

SPECIAL ACTIVITIES

(TITLE III)

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Research on strategic and critical agricultural materials	$439, 500	$331, 500	$331, 500	−$108, 000	
Disaster loan revolving fund	130, 000, 000			−130, 000, 000	
Total, special activities	130, 439, 500	331, 500	331, 500	−130, 108, 000	

FARM CREDIT ADMINISTRATION

(TITLE IV)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Farm Credit Administration	[2] $2,255,500	$2,375,000	$2,320,000	+$64,500	−$55,000
Federal Farm Mortgage Corporation	750,000	650,000	650,000	−100,000	
Federal intermediate credit banks	1,690,000	1,740,000	1,740,000	+50,000	
Production credit corporations	1,465,000	1,540,000	1,540,000	+75,000	
Total, Farm Credit Administration	6,160,500	6,305,000	6,250,000	+89,500	−55,000

[2] Includes $120,000 contained in the Third Supplemental, 1954.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1954, ESTIMATES FOR 1955, AND AMOUNTS RECOMMENDED IN THE BILL FOR 1955

TITLE I—REGULAR ACTIVITIES

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Agricultural Research Service:					
Salaries and expenses:					
Research	$32, 902, 365	$35, 353, 000	$33, 154, 365	+$252, 000	−$2, 198, 635
Plant and animal disease and pest control	17, 920, 650	15, 000, 000	17, 461, 380	−459, 270	+2, 461, 380
Meat inspection	14, 190, 000	14, 325, 000	14, 190, 000	----------	−135, 000
Total salaries and expenses	65, 013, 015	64, 678, 000	64, 805, 745	−207, 270	+127, 745
Payments to States, etc	13, 721, 708	19, 453, 708	15, 453, 708	+1, 732, 000	−4, 000, 000
Foot-and-mouth and other contagious diseases	----------	2, 134, 000	1, 800, 000	+1, 800, 000	−334, 000
Total, Agricultural Research Service	78, 734, 723	86, 265, 708	82, 059, 453	+3, 324, 730	−4, 206, 255
Extension Service:					
Payments to States, etc	32, 248, 329	39, 675, 000	35, 610, 279	+3, 361, 950	−4, 064, 721
Federal Extension Service	3, 046, 235	3, 925, 000	3, 266, 235	+220, 000	−658, 765
Total, Extension Service	35, 294, 564	43, 600, 000	38, 876, 514	+3, 581, 950	−4, 723, 486
Farmer Cooperative Service	408, 000	408, 000	408, 000	----------	----------

Forest Service:					
Salaries and expenses:					
National forest protection and management	30, 961, 700	28, 935, 000	30, 132, 700	−829, 000	+1, 197, 700
Fighting forest fires	[3] 10, 500, 000	6, 000, 000	6, 000, 000	−4, 500, 000	----------
Control of forest pests	5, 286, 354	5, 015, 000	4, 800, 000	−486, 354	−215, 000
Forest research	6, 112, 664	6, 528, 500	6, 170, 564	+57, 900	−357, 936
Total, Salaries and expenses	52, 860, 718	46, 478, 500	47, 103, 264	−5, 757, 454	+624, 764
Forest roads and trails	14, 498, 000	16, 000, 000	14, 498, 000	----------	−1, 502, 000
Acquisition of land:					
Weeks Act	75, 000	----------	75, 000	----------	+75, 000
Special acts	----------	----------	(10, 000)	(+10, 000)	(+10, 000)
State and private forestry cooperation	10, 683, 690	9, 123, 000	10, 608, 690	−75, 000	+1, 485, 690
Cooperative range improvements	(531, 000)	(281, 000)	(281, 000)	(−250, 000)	----------
Total, Forest Service	78, 117, 408	71, 601, 500	72, 284, 954	−5, 832, 454	+683, 454
Soil Conservation Service:					
Conservation operations	58, 819, 279	54, 898, 000	58, 165, 671	−653, 608	+3, 267, 671
Watershed protection	5, 000, 000	5, 000, 000	5, 000, 000	----------	----------
Flood prevention	6, 982, 000	5, 739, 000	6, 982, 000	----------	+1, 243, 000
Water conservation and utilization projects	685, 000	480, 000	480, 000	−205, 000	----------
Total, Soil Conservation Service	71, 486, 279	66, 117, 000	70, 627, 671	−858, 608	+4, 510, 671

[3] Includes $4,500,000 contained in the Third Supplemental, 1954.

Comparative statement of appropriations for 1954, estimates for 1955, and amounts recommended in the bill for 1955—Con.

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Agricultural conservation program	$211, 982, 000	$195, 000, 000	$191, 700, 000	−$20, 282, 000	−$3, 300, 000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research and agricultural estimates	8, 702, 200	10, 215, 000	9, 100, 800	+398, 600	−1, 114, 200
Marketing services	11, 763, 053	11, 243, 500	11, 463, 500	−299, 553	+220, 000
Total, marketing research and service	20, 465, 253	21, 458, 500	20, 564, 300	+99, 047	−894, 200
Payments to States, etc	573, 000	900, 000	573, 000		−327, 000
Repayment to Commodity Credit Corporation	768, 505	441, 655	441, 655	−326, 850	
School lunch	83, 236, 197	68, 000, 000	77, 011, 416	−6, 224, 781	+9, 011, 416
Total, Agricultural Marketing Service	105, 042, 955	90, 800, 155	98, 590, 371	−6, 452, 584	+7, 790, 216
Foreign Agricultural Service	840, 900	965, 000	965, 000	+124, 100	
Commodity Exchange Authority	692, 273	673, 000	673, 000	−19, 273	
Commodity Stabilization Service:					
Agricultural adjustment programs	44, 312, 000	42, 500, 000	40, 000, 000	−4, 312, 000	−2, 500, 000
Sugar Act	59, 608, 287	59, 600, 000	59, 600, 000	−8, 287	
Total, Commodity Stabilization Service	103, 920, 287	102, 100, 000	99, 600, 000	−4, 320, 287	−2, 500, 000

Federal Crop Insurance, salaries and expenses	7, 450, 000	5, 700, 000	5, 700, 000	−1, 750, 000	----------
Rural Electrification Administration, salaries and expenses	7, 554, 250	7, 085, 000	7, 285, 000	−269, 250	+200, 000
Farmers' Home Administration: Salaries and expenses	26, 737, 000	22, 250, 000	23, 750, 000	−2, 987, 000	+1, 500, 000
Office of Solicitor	2, 311, 000	2, 098, 000	2, 000, 000	−311, 000	−98, 000
Office of Secretary	2, 188, 000	2, 119, 000	2, 050, 000	−138, 000	−69, 000
Office of Information	1, 251, 000	968, 000	1, 180, 400	−70, 600	+212, 400
Library	681, 800	659, 950	659, 950	−21, 850	----------
Total, regular activities	734, 692, 439	698, 410, 313	698, 410, 313	−36, 282, 126	----------

○

NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

[FULL COMMITTEE PRINT]

Union Calendar No.

83D CONGRESS
2D SESSION

H. R.

[Report No.]

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 1954

Mr. H. CARL ANDERSEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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A BILL

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural re-
6 search relating to production and utilization, to control and
7 eradicate insect pests and plant and animal diseases, and to
8 perform related inspection, quarantine and regulatory work,
9 and meat inspection: *Provided,* That not to exceed $15,000
10 of the appropriations hereunder shall be available for em-
11 ployment pursuant to the second sentence of section 706 (a)
12 of the Organic Act of 1944 (5 U. S. C. 574), as amended
13 by section 15 of the Act of August 2, 1946 (5 U. S. C.
14 55a): *Provided further,* That appropriations hereunder
15 shall be available for the operation and maintenance of air-
16 craft and the purchase (for emergency replacement only)
17 of not to exceed one, and the construction, alteration, and
18 repair of buildings and improvements, but unless otherwise
19 provided, the cost of constructing any one building (except
20 headhouses connecting greenhouses) shall not exceed
21 $7,500 and the cost of altering any one building during the
22 fiscal year shall not exceed $3,750 or two per centum of
23 the cost of the building, whichever is greater:

24 Research: For research and demonstrations on the pro-
25 duction and utilization of agricultural products, and related

1 research and services, including administration of payments
2 to State Agricultural Experiment Stations; $33,154,365, of
3 which not to exceed $20,000 shall be available for the con-
4 struction of an office and a laboratory building at the South-
5 eastern Tidewater Field Station, Fleming, Georgia.

6 Plant and animal disease and pest control: For opera-
7 tions and measures to control and eradicate insect pests and
8 plant and animal diseases and for carrying out assigned
9 inspection, quarantine and regulatory activities, as author-
10 ized by law; $17,461,380, of which $400,000 shall be ap-
11 portioned for use pursuant to section 3679 of the Revised
12 Statutes, as amended, for the control of outbreaks of insects
13 and plant diseases under the joint resolution approved May
14 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to
15 meet emergency conditions: *Provided further,* That no part
16 of this appropriation shall be used to pay the cost or value
17 of trees, farm animals, farm crops, or other property injured
18 or destroyed as a result of plant insect and disease control
19 activities except potatoes and tomatoes as authorized under
20 the Golden Nematode Act: *Provided further,* That, in the
21 discretion of the Secretary, no part of this appropriation shall
22 be expended for the control of sweetpotato weevil in any State
23 until such State has provided cooperation necessary to
24 accomplish this purpose, or for barberry eradication until
25 a sum or sums at least equal to such expenditures shall have

1 been made available by States, counties, or local authorities,
2 or by individuals or organizations for the accomplishment
3 of this purpose, or with respect to the golden nematode except
4 as prescribed in section 4 of the Golden Nematode Act.

5 Meat inspection: For carrying out the provisions of laws
6 relating to Federal inspection of meat and meat-food prod-
7 ucts; $14,190,000.

8 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

9 For payments to the States, Hawaii, Alaska, and Puerto
10 Rico to be paid quarterly in advance where applicable, to
11 carry into effect the provisions of the following Acts relating
12 to agricultural experiment stations:

13 Hatch Act, the Act approved March 2, 1887 (7
14 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams
15 Act, the Act approved March 16, 1906 (7 U. S. C. 369),
16 $720,000; Purnell Act, the Act approved February 24, 1925
17 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382),
18 $2,880,000; Bankhead-Jones Act, title I of the Act ap-
19 proved June 29, 1935 (7 U. S. C. 427–427g), sections 3
20 and 5, $2,863,708, and sections 9 and 11 of said Act as
21 added by the Act of August 14, 1946 (7 U. S. C. 427h,
22 427j), including administration by the Office of Experiment
23 Stations in the United States Department of Agriculture,
24 $7,500,000, no part of which latter amount shall
25 be used for beginning construction of any building

costing in excess of $15,000; Hawaii, the Act approved May 16, 1928 (7 U. S. C. 386–386b), extending the benefits of certain Acts of Congress to the Territory of Hawaii, $90,000; Alaska, the Act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch Act to the Territory of Alaska, $15,000, and the provisions of section 2 of the Act approved June 20, 1936, as amended (7 U. S. C. 369a), extending the benefits of the Adams and Purnell Acts to the Territory of Alaska, $75,000; Puerto Rico, the Act approved March 4, 1931, as amended (7 U. S. C. 386d–386f), extending the benefits of certain Acts of Congress to Puerto Rico, $90,000; section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U. S. C. 1623), $500,000; in all payments to States, Hawaii, Alaska, and Puerto Rico, $15,453,708.

FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials contaminated by or exposed to, any

1 such disease, when there has been compliance with all lawful
2 quarantine regulations, and for foot-and-mouth disease and
3 rinderpest programs undertaken pursuant to the provisions of
4 the Act of February 28, 1947, and the Act of May 29, 1884,
5 as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including
6 expenses in accordance with section 2 of said Act of Feb-
7 ruary 28, 1947, the Secretary may transfer from other
8 appropriations or funds available to the bureaus, corpora-
9 tions, or agencies of the Department such sums as he may
10 deem necessary, but not to exceed $2,650,000 for eradica-
11 tion of vesicular exanthema of swine, to be available only
12 in an emergency which threatens the livestock or poultry
13 industry of the country, and any unexpended balances of
14 funds transferred under this head in the next preceding fiscal
15 year shall be merged with such transferred amounts: *Pro-*
16 *vided,* That, except for payments made pursuant to said Act
17 of February 28, 1947, the payment for animals may be made
18 on appraisement based on the meat, egg-production, dairy,
19 or breeding value, but in case of appraisement based on
20 breeding value no appraisement of any animal shall exceed
21 three times its meat, egg-production, or dairy value and,
22 except in case of an extraordinary emergency to be
23 determined by the Secretary, the payment by the United
24 States shall not exceed one-half of any such appraisements:
25 *Provided further,* That this appropriation shall be subject to

1 applicable provisions contained in the item "Salaries and
2 expenses, Agricultural Research Service".

3 Research: For expenses necessary for research author-
4 ized by the Act of April 24, 1948 (21 U. S. C. 113a),
5 $1,800,000.

6 EXTENSION SERVICE

7 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

8 For payments for cooperative agricultural extension work
9 under the Smith-Lever Act, as amended by the Act of June
10 26, 1953 (Public Law 83), $34,597,279; under section 5,
11 Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and
12 payments and contracts for such work under section 204 (b)–
13 205 of the Agricultural Marketing Act of 1946 (7 U. S. C.
14 1623–1624), $925,000; in all, $35,610,279: *Provided,*
15 That funds hereby appropriated pursuant to section 3 (c) of
16 the Act of June 26, 1953 (Public Law 83) shall not be paid
17 to any State, Hawaii, Alaska, or Puerto Rico prior to avail-
18 ability of an equal sum from non-Federal sources for expendi-
19 ture during the current fiscal year.

20 FEDERAL EXTENSION SERVICE

21 Administration and coordination: For administration
22 of the Smith-Lever Act, as amended by the Act of June 26,
23 1953 (Public Law 83), section 5 of the Clarke-McNary
24 Act (16 U. S. C. 568–568a), and extension aspects of the
25 Agricultural Marketing Act of 1946 (7 U. S. C. 1621–

1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,381,235.

Penalty mail: For costs of penalty mail for cooperative extension agents, $1,885,000.

Farmer Cooperative Service

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), $408,000.

Forest Service

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided,* That the cost of any building

1 purchased, erected, or as improved, exclusive of the cost of
2 constructing a water-supply or sanitary system and of con-
3 necting the same with any such building, and exclusive of the
4 cost of any tower upon which a lookout house may be erected,
5 shall not exceed $18,500 ($22,500 in Alaska) with the ex-
6 ception that any building erected, purchased, or acquired, the
7 cost of which was $18,500 or more, may be improved out of
8 the appropriations made under this Act for the Forest Service
9 by an amount not to exceed 2 per centum of the cost of such
10 building; to protect, administer, and improve the national
11 forests, including tree planting and other measures to pre-
12 vent erosion, drift, surface wash, soil waste, and the forma-
13 tion of floods, and to conserve water; to ascertain the natural
14 conditions upon and utilize the national forests, to transport
15 and care for fish and game supplied to stock the national
16 forests or the waters therein; for management of lands ac-
17 quired under the land utilization program; and to collate,
18 digest, report, and illustrate the results of experiments and
19 investigations made by the Forest Service: *Provided fur-*
20 *ther*, That the appropriations available to the Forest Serv-
21 ice for the current fiscal year may be used for the operation
22 and maintenance of aircraft, and the purchase of not to ex-
23 ceed four (for replacement only), and not to exceed
24 $250,000 of such appropriations may be used for the

1 maintenance, improvement, and construction of aircraft land-
2 ing fields in, or adjacent to, the national forests, as follows:
3 National forest protection and management: For the ad-
4 ministration, protection, use, maintenance, improvement, and
5 development of the national forests, including the establish-
6 ment and maintenance of forest tree nurseries, including the
7 procurement of tree seed and nursery stock by purchase, pro-
8 duction, or otherwise, seeding and tree planting and the care
9 of plantations and young growth; the maintenance of roads
10 and trails and the construction and maintenance of all other
11 improvements necessary for the proper and economical ad-
12 ministration, protection, development, and use of the national
13 forests, including experimental areas under Forest Service
14 administration, except that where direct purchases will be
15 more economical than construction, improvements may be
16 purchased; the construction (not to exceed $18,500 for any
17 one structure), equipment, and maintenance of sanitary and
18 recreational facilities; timber cultural operations; develop-
19 ment and application of fish and game management plans;
20 propagation and transplanting of plants suitable for planting
21 on semiarid portions of the national forests; estimating and
22 appraising of timber and other resources and development
23 and application of plans for their effective management, sale,
24 and use; expenses of the National Forest Reservation Com-
25 mission as authorized by section 14 of the Act of March 1,

1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506–509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed $100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010–1012); $30,132,700: *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

1 Fighting forest fires: For fighting and preventing forest
2 fires on or threatening lands under Forest Service adminis-
3 tration, including lands under contract for purchase or in
4 process of condemnation for Forest Service purposes, and for
5 liquidation of obligations incurred in the preceding fiscal year
6 for such purpose, $6,000,000, of which $2,500,000 shall be
7 apportioned for use, pursuant to section 3679 of the Revised
8 Statutes, as amended, to the extent necessary to meet emer-
9 gency conditions.

10 Control of forest pests: For the control of white pine
11 blister rust pursuant to the Act of April 26, 1940 (16
12 U. S. C. 594a), including the development and testing of
13 new control methods, $2,650,000, of which $360,000 shall
14 be available to the Department of the Interior for the control
15 of white pine blister rust on or endangering Federal lands
16 under the jurisdiction of that Department or lands of Indian
17 tribes which are under the jurisdiction of or retained under
18 restrictions of the United States; and for carrying out the
19 Forest Pest Control Act (16 U. S. C., Supp. V, 594–1—
20 594–5), $2,150,000, of which $1,750,000 shall be appor-
21 tioned for use pursuant to section 3679 of the Revised Stat-
22 utes, as amended, for the purposes of said Act to the extent
23 necessary under the then existing conditions; $4,800,000.

24 Forest research: For forest research at forest or range
25 experiment stations, the Forest Products Laboratory, or else-

1 where, in accordance with the provisions of sections 1, 2, 3,
2 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as
3 amended (16 U. S. C. 581, 581a–581c, 581f–581i), includ-
4 ing the construction and maintenance of improvements; fire,
5 silvicultural, watershed, forest insects and diseases, and other
6 forest investigations and experiments; investigations and
7 experiments to develop improved methods of management of
8 forest and related ranges; experiments, investigations, and
9 tests of forest products; marketing research and service on
10 timber and timber products; a comprehensive forest survey;
11 and investigations in forest economics; $6,170,564: *Pro-*
12 *vided,* That funds may be advanced to cooperators under
13 such regulations as the Secretary may prescribe when such
14 action will stimulate or facilitate cooperative work.

15 FOREST ROADS AND TRAILS

16 For expenses necessary for carrying out the provisions
17 of section 23 of the Federal Highway Act approved Novem-
18 ber 9, 1921, as amended (23 U. S. C. 23, 23a), relating
19 to forest development roads and trails, including the con-
20 struction, reconstruction, and maintenance of roads and
21 trails on experimental areas under Forest Service admin-
22 istration, $14,498,000, which sum is authorized to be ap-
23 propriated by the Acts of September 7, 1950 (64 Stat.
24 786), and June 25, 1952 (66 Stat. 158), to remain avail-
25 able until expended: *Provided,* That this appropriation

1 shall be available for the rental, purchase, construction,
2 or alteration of buildings necessary for the storage and
3 repair of equipment and supplies used for road and trail
4 construction and maintenance, but the total cost of any
5 such building purchased, altered, or constructed under this
6 authorization shall not exceed $18,500 ($22,500 in Alaska),
7 with the exception that any building erected, purchased, or
8 acquired, the cost of which was $18,500 or more, may be
9 improved within any fiscal year by an amount not to
10 exceed 2 per centum of the cost of such buildings.

11 ACQUISITION OF LANDS FOR NATIONAL FORESTS

12 Weeks Act

13 For the acquisition of forest lands under the provisions
14 of the Act approved March 1, 1911, as amended (16
15 U. S. C. 513–519, 521), $75,000, to be available only for
16 payment of the purchase price of any lands acquired, in-
17 cluding the cost of surveys in connection with such acqui-
18 sition: *Provided,* That no part of this appropriation shall be
19 used for acquisition of any land which is not within the
20 boundaries of a national forest: *Provided further,* That no
21 part of this appropriation shall be used for the acquisition of
22 any land without the approval of the local government
23 concerned.

1 Special Acts

2 For the acquisition of land to facilitate the control of
3 soil erosion and flood damage originating within the exterior
4 boundaries of the following national forest, in accordance
5 with the provisions of the following Act authorizing annual
6 appropriations of forest receipts for such purposes, and in not
7 to exceed the following amount from such receipts:
8 Cache National Forest, Utah, Act of May 11, 1938 (Public
9 Law 505), as amended, $10,000: *Provided*, That no part
10 of this appropriation shall be used for acquisition of any
11 land which is not within the boundaries of a national
12 forest: *Provided further*, That no part of this appropriation
13 shall be used for the acquisition of any land without the
14 approval of the local government concerned.

15 STATE AND PRIVATE FORESTRY COOPERATION

16 For expenses necessary for cooperation with the various
17 States in forest-fire prevention and suppression, in forest
18 tree planting, in forest management and processing, and in
19 farm forestry extension, pursuant to the Act of August 25,
20 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3,
21 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–
22 568a), and Acts supplementary thereto; advising tim-
23 berland owners, associations, and other appropriate agen-

1 cies in the application of forest management principles to
2 federally owned lands leased to States and to private forest
3 lands, and advising wood-using industries in processing of
4 forest products, so as to attain sustained-yield management,
5 the conservation of the timber resources, the productivity of
6 forest lands, and the stabilization of employment and eco-
7 nomic continuance of forest industries; $10,608,690.

8 COOPERATIVE RANGE IMPROVEMENTS

9 For artificial revegetation, construction, and mainte-
10 nance of range improvements, control of rodents, and eradi-
11 cation of poisonous and noxious plants on national forests
12 as authorized by section 12 of the Act of April 24, 1950
13 (16 U. S. C. 580h), $281,000, to remain available until
14 expended.

15 SOIL CONSERVATION SERVICE

16 CONSERVATION OPERATIONS

17 For necessary expenses for carrying out the provisions
18 of the Act of April 27, 1935 (16 U. S. C. 590a–590f), in-
19 cluding preparation of conservation plans and establishment of
20 measures to conserve soil and water (including farm irriga-
21 tion and land drainage and such special measures as may
22 be necessary to prevent floods and the siltation of reser-
23 voirs); operation of conservation nurseries; classification
24 and mapping of soils; dissemination of information; pur-
25 chase and erection or alteration of permanent buildings;

1 operation and maintenance of aircraft; and furnishing of
2 subsistence to employees; $58,165,671: *Provided,* That
3 the cost of any permanent building purchased, erected, or as
4 improved, exclusive of the cost of constructing a water
5 supply or sanitary system and connecting the same to any
6 such building and with the exception of buildings acquired
7 in conjunction with land being purchased for other purposes,
8 shall not exceed $2,500, except for eight buildings to be
9 constructed or improved at a cost not to exceed $15,000
10 per building and except that alterations or improvements to
11 other existing permanent buildings costing $2,500 or more
12 may be made in any fiscal year in an amount not to exceed
13 $500 per building: *Provided further,* That no part of this
14 appropriation shall be available for the construction of any
15 such building on land not owned by the Government: *Pro-*
16 *vided further,* That in the State of Missouri, where the State
17 has established a central State agency authorized to enter
18 into agreements with the United States or any of its agencies
19 on policies and general programs for the saving of its soil by
20 the extension of Federal aid to any soil conservation district
21 in such State, the agreements made by or on behalf of the
22 United States with any such soil conservation district shall
23 have the prior approval of such central State agency before
24 they shall become effective as to such district: *Provided*

1 *further*, That no part of this appropriation may be expended
2 for soil and water conservation operations under the Act of
3 April 27, 1935 (16 U. S. C. 590a–590f), in demonstration
4 projects: *Provided further*, That not to exceed $5,000 may
5 be used for employment pursuant to the second sentence of
6 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
7 574), as amended by section 15 of the Act of August 2,
8 1946 (5 U. S. C. 55a): *Provided further*, That qualified
9 local engineers may be temporarily employed at per diem
10 rates to perform the technical planning work of the service.

11 WATERSHED PROTECTION

12 For expenses necessary to conduct surveys, investiga-
13 tions, and research and to carry out preventive measures,
14 including, but not limited to, engineering operations, meth-
15 ods of cultivation, the growing of vegetation, and changes in
16 use of land, in accordance with the provisions of the Act of
17 April 27, 1935 (16 U. S. C. 590a–590f), to remain available
18 until expended, $5,000,000, with which shall be merged the
19 unexpended balances of funds heretofore appropriated or
20 transferred to the Department for watershed protection
21 purposes.

22 FLOOD PREVENTION

23 For expenses necessary, in accordance with the Flood
24 Control Act, approved June 22, 1936 (Public Law 738),
25 as amended and supplemented, and in accordance with the

1 provisions of laws relating to the activities of the Depart-
2 ment, to make preliminary examinations and surveys, and
3 to perform works of improvement, and to plan the agricul-
4 tural phases of the development of the Arkansas-White-Red
5 River area, the New England-New York area, including not
6 to exceed $100,000 for employment pursuant to the second
7 sentence of section 706 (a) of the Organic Act of 1944 (5
8 U. S. C. 574), as amended by section 15 of the Act of
9 August 2, 1946 (5 U. S. C. 55a), at rates for individuals
10 not to exceed $100 per diem, to remain available until
11 expended, $6,982,000, with which shall be merged the
12 unexpended balances of funds heretofore appropriated or
13 transferred to the Department for flood prevention pur-
14 poses: *Provided,* That no part of such funds shall be used
15 for the purchase of lands in the Yazoo and Little Tallahatchie
16 watersheds without specific approval of the county board of
17 supervisors of the county in which such lands are situated,
18 nor shall any part of such funds be used for the purchase of
19 lands in the counties of Adair, Cherokee, and Sequoyah, in
20 the State of Oklahoma, and Neosho, Cottonwood, Verdigris,
21 Caney, and tributaries in Kansas, without the specific ap-
22 proval of the Board of County Commissioners of the county
23 in which such lands are situated: *Provided further,* That
24 of the funds available herein, not in excess of $6,-
25 504,500 (with which shall be merged the unexpended

1 balances of funds heretofore made available for these pur-
2 poses) may be expended in watersheds heretofore authorized
3 by section 13 of the Flood Control Act of December 22,
4 1944, for necessary gully control, floodwater detention, and
5 floodway structures in areas other than those over which
6 the Department of the Army has jurisdiction and
7 responsibility.

8 WATER CONSERVATION AND UTILIZATION PROJECTS

9 For expenses necessary to carry out the functions of
10 the Department under the Acts of May 10, 1939 (53 Stat.
11 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10),
12 as amended and supplemented, June 28, 1949 (Public Law
13 132), and September 6, 1950 (7 U. S. C. 1033–1039), re-
14 lating to water conservation and utilization projects, to
15 remain available until expended, $480,000, which sum shall
16 be merged with the unexpended balances of funds heretofore
17 appropriated to said Department for the purposes of said
18 Acts.

19 AGRICULTURAL CONSERVATION PROGRAM SERVICE

20 For necessary expenses to carry into effect the pro-
21 visions of section 7 to 17, inclusive, of the Soil Conser-
22 vation and Domestic Allotment Act, approved February
23 29, 1936, as amended (16 U. S. C. 590g–590q), in-
24 cluding not to exceed $6,000 for the preparation and dis-
25 play of exhibits, including such displays at State, interstate,

1 and international fairs within the United States; $191,-
2 700,000, to remain available until December 31 of the
3 next succeeding fiscal year for compliance with the pro-
4 gram of soil-building practices and soil- and water-conserv-
5 ing practices authorized under this head in the Department
6 of Agriculture Appropriation Act, 1954, carried out during
7 the period July 1, 1953, to December 31, 1954, inclusive:
8 *Provided,* That not to exceed $22,500,000 of the total sum
9 provided under this head shall be available during the cur-
10 rent fiscal year for salaries and other administrative ex-
11 penses for carrying out such program, the cost of aerial
12 photographs, however, not to be charged to such limita-
13 tion; but not more than $4,020,000 shall be transferred
14 to the appropriation account, "Administrative expenses,
15 section 392, Agricultural Adjustment Act of 1938":
16 *Provided further,* That payments to claimants here-
17 under may be made upon the certificate of the claimant,
18 which certificate shall be in such form as the Secretary may
19 prescribe, that he has carried out the conservation practice or
20 practices and has complied with all other requirements as
21 conditions for such payments and that the statements and
22 information contained in the application for payment are
23 correct and true, to the best of his knowledge and belief,
24 under the penalties of title 18, United States Code: *Provided*

1 *further,* That none of the funds herein appropriated or made
2 available for the functions assigned to the Agricultural Ad-
3 justment Agency pursuant to the Executive Order Numbered
4 9069, of February 23, 1942, shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further,* That
9 such amount shall be available for salaries and other admin-
10 istrative expenses in connection with the formulation and
11 administration of the 1955 program of soil-building practices
12 and soil- and water-conserving practices, under the Act of
13 February 29, 1936, as amended (amounting to $250,000,-
14 000, including administration, but of this amount not more
15 than $195,000,000 may be used until a final program has
16 been adopted relative to the use of acreage diverted from
17 production, and formulated on the basis of a distribution
18 of the funds available for payments and grants among
19 the several States in accordance with their conservation
20 needs as determined by the Secretary, except that the
21 proportion allocated to any State shall not be reduced more
22 than 15 per centum from the distribution for the next preced-
23 ing program year, and no participant shall receive more than
24 $1,500) ; but the payments or grants under such programs

1 shall be conditioned upon the utilization of land with respect
2 to which such payments or grants are to be made in con-
3 formity with farming practices which will encourage and
4 provide for soil-building and soil- and water-conserving prac-
5 tices in the most practical and effective manner and adapted
6 to conditions in the several States, as determined and ap-
7 proved by the State committees appointed pursuant to section
8 8 (b) of the Soil Conservation and Domestic Allotment Act,
9 as amended (16 U. S. C. 590h (b)), for the respective
10 States: *Provided further,* That not to exceed 5 per centum of
11 the allocation for the 1955 agricultural conservation program
12 for any county may, on the recommendation of such county
13 committee and approval of the State committee, be withheld
14 and allotted to the Soil Conservation Service for services of
15 its technicians in formulating and carrying out the agricultural
16 conservation program in the participating counties, and the
17 funds so allotted may be placed in a single account for each
18 State, and shall not be utilized by the Soil Conservation
19 Service for any purpose other than technical and other
20 assistance in such counties: *Provided further,* That for the
21 1955 program $2,500,000 shall be available for technical
22 assistance in formulating and carrying out agricultural con-
23 servation practices and $1,000,000 shall be available for
24 conservation practices related directly to flood prevention

1 work in approved watersheds: *Provided further,* That in
2 carrying out the 1955 program the Secretary shall give
3 particular consideration to the conservation problems on farm
4 lands diverted from crops under acreage-allotment programs:
5 *Provided further,* That such amounts shall be available for the
6 purchase of seeds, fertilizers, lime, trees, or any other farming
7 material, or any soil-terracing services, and making grants
8 thereof to agricultural producers to aid them in carrying out
9 farming practices approved by the Secretary under programs
10 provided for herein: *Provided further,* That no part of any
11 funds available to the Department, or any bureau, office, cor-
12 poration, or other agency constituting a part of such Depart-
13 ment, shall be used in the current fiscal year for the payment
14 of salary or travel expenses of any person who has been con-
15 victed of violating the Act entitled "An Act to prevent perni-
16 cious political activities", approved August 2, 1939, as
17 amended, or who has been found in accordance with the
18 provisions of title 18, United States Code, section 1913, to
19 have violated or attempted to violate such section which
20 prohibits the use of Federal appropriations for the payment
21 of personal services or other expenses designed to influence
22 in any manner a Member of Congress to favor or oppose any
23 legislation or appropriation by Congress except upon request
24 of any Member or through the proper official channels.

1 AGRICULTURAL MARKETING SERVICE

2 MARKETING RESEARCH AND SERVICE

3 For expenses necessary to carry on research and service
4 to improve and develop marketing and distribution relating to
5 agriculture as authorized by the Agricultural Marketing Act
6 of 1946 (7 U. S. C. 1621–1627) and other laws, including
7 the administration of marketing regulatory acts connected
8 therewith:

9 Marketing research and agricultural estimates: For re-
10 search and development relating to agricultural marketing
11 and distribution, for analyses relating to farm prices, income
12 and population, and demand for farm products, and for crop
13 and livestock estimates; $9,100,800: *Provided,* That no
14 part of the funds herein appropriated shall be available for
15 any expense incident to ascertaining, collating, or publishing
16 a report stating the intention of farmers as to the acreage to
17 be planted in cotton, or for estimates of apple production
18 for other than the commercial crop.

19 Marketing services: For services relating to agricultural
20 marketing and distribution, for carrying out regulatory acts
21 connected therewith, and for administration and coordination
22 of payments to States; $11,463,500, including not to exceed
23 $25,000 for employment at rates not to exceed $100 per
24 diem, pursuant to the second sentence of section 706 (a) of

1 the Organic Act of 1944 (5 U. S. C. 574), as amended by
2 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in
3 carrying out section 201 (a) to 201 (d), inclusive, of title
4 II of the Agricultural Adjustment Act of 1938 (7 U. S. C.
5 1291) and section 203 (j) of the Agricultural Marketing
6 Act of 1946.

7 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

8 For payments to departments of agriculture, bureaus
9 and departments of markets and similar agencies for market-
10 ing activities under section 204 (b) of the Agricultural
11 Marketing Act of 1946 (7 U. S. C. 1623 (b)), $573,000.

12 REPAYMENT TO COMMODITY CREDIT CORPORATION

13 For reimbursement to Commodity Credit Corporation
14 for sums transferred to the appropriation "Marketing serv-
15 ices", fiscal year 1953 (including interest thereon
16 through June 30, 1954), pursuant to authority con-
17 tained under the head "Marketing services" in the Depart-
18 ment of Agriculture Appropriation Act, 1952 (7 U. S. C.
19 414a), for grading tobacco and classing cotton without
20 charge to producers, as authorized by law (7 U. S. C. 473a,
21 511d), $441,655.

22 SCHOOL LUNCH PROGRAM

23 For necessary expenses to carry out the provisions of
24 the National School Lunch Act (42 U. S. C. 1751–1760),
25 $77,011,416: *Provided,* That no part of this appropriation

1 shall be used for nonfood assistance under section 5 of said
2 Act.

3 FOREIGN AGRICULTURAL SERVICE

4 For necessary expenses for the Foreign Agricultural
5 Service and for enabling the Secretary to coordinate and
6 integrate activities of the Department in connection with
7 foreign agricultural work, $965,000.

8 COMMODITY EXCHANGE AUTHORITY

9 For necessary expenses to carry into effect the provisions
10 of the Commodity Exchange Act, as amended (7 U. S. C.
11 1–17a), $673,000.

12 COMMODITY STABILIZATION SERVICE

13 AGRICULTURAL ADJUSTMENT PROGRAMS

14 For necessary expenses to formulate and carry out acre-
15 age allotment and marketing quota programs pursuant to
16 provisions of title III of the Agricultural Adjustment Act of
17 1938, as amended (7 U. S. C. 1301–1393), $40,000,000,
18 of which not more than $5,500,000 shall be transferred to
19 the appropriation account "Administrative expenses, section
20 392, Agricultural Adjustment Act of 1938": *Provided,* That
21 $3,500,000 of this appropriation shall be placed in reserve
22 to be apportioned for use pursuant to section 3679 of the
23 Revised Statutes, as amended, to the extent necessary for
24 carrying out marketing quotas for the 1955 crop of wheat.

1 SUGAR ACT PROGRAM

2 For necessary expenses to carry into effect the provisions
3 of the Sugar Act of 1948 (7 U. S. C. 1101–1160),
4 $59,600,000, to remain available until June 30 of the next
5 succeeding fiscal year: *Provided*, That expenditures (includ-
6 ing transfers) from this appropriation for other than pay-
7 ments to sugar producers shall not exceed $1,392,000, of
8 which $77,000 shall be placed in reserve to be apportioned
9 pursuant to section 3679 of the Revised Statutes, as amended,
10 for use as may become necessary for applying restrictive
11 proportionate shares on the 1955 beet crop.

12 FEDERAL CROP INSURANCE CORPORATION

13 For operating and administrative expenses, $5,700,000.

14 RURAL ELECTRIFICATION ADMINISTRATION

15 To carry into effect the provisions of the Rural Electrifi-
16 cation Act of 1936, as amended (7 U. S. C. 901–924), as
17 follows:

18 LOAN AUTHORIZATIONS

19 For loans in accordance with said Act, and for carrying
20 out the provisions of section 7 thereof, to be borrowed from
21 the Secretary of the Treasury in accordance with the pro-
22 visions of section 3 (a) of said Act as follows: Rural elec-
23 trification program, $100,000,000; and rural telephone
24 program, $75,000,000; and additional amounts, not to
25 exceed $35,000,000 for the rural electrification program,

1 may be borrowed under the same terms and conditions to
2 the extent that such additional amounts are required during
3 the fiscal year 1955, under the then existing conditions,
4 for the expeditious and orderly development of the program.

5 SALARIES AND EXPENSES

6 For administrative expenses, including not to exceed
7 $500 for financial and credit reports, and not to exceed
8 $75,000 for employment pursuant to the second sentence
9 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.
10 574), as amended by section 15 of the Act of August 2,
11 1946 (5 U. S. C. 55a), $7,285,000.

12 FARMERS' HOME ADMINISTRATION

13 To carry into effect the provisions of titles I, II, and
14 the related provisions of title IV of the Bankhead-Jones
15 Farm Tenant Act, as amended (7 U. S. C. 1000–1031);
16 the Farmers' Home Administration Act of 1946 (7 U. S. C.
17 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.
18 Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946
19 (40 U. S. C. 436–439); the Act of August 28, 1937, as
20 amended (16 U. S. C. 590r–590x, 590z–5), for the develop-
21 ment of facilities for water storage and utilization in the arid
22 and semiarid areas of the United States; the provisions of
23 title V of the Housing Act of 1949 (42 U. S. C. 1471–
24 1483), as amended by the Housing Act of 1952 (Public
25 Law 531, approved July 14, 1952), relating to financial

1 assistance for farm housing; the Rural Rehabilitation Cor-
2 poration Trust Liquidation Act, approved May 3, 1950 (40
3 U. S. C. 440–444) ; the items "Loans to farmers, 1948 flood
4 damage" in the Act of June 25, 1948 (62 Stat. 1038), and
5 "Loans to farmers, property damage" in the Act of May 24,
6 1949 (63 Stat. 82) ; the collecting and servicing of credit
7 sales and development accounts in water conservation and
8 utilization projects (53 Stat. 685, 719), as amended and
9 supplemented (16 U. S. C. 590y, z1 and z10) ; and the Act
10 to direct the Secretary of Agriculture to convey certain
11 mineral interests, approved September 6, 1950 (7 U. S. C.
12 1033–1039), as follows:

13 LOAN AUTHORIZATIONS

14 For loans (including payments in lieu of taxes and taxes
15 under section 50 of the Bankhead-Jones Farm Tenant Act,
16 as amended, and advances incident to the acquisition and
17 preservation of security of obligations under the foregoing
18 several authorities) : Title I and section 43 of title IV of
19 the Bankhead-Jones Farm Tenant Act, as amended,
20 $19,000,000, of which not to exceed $5,000,000 may be dis-
21 tributed to States and Territories without regard to farm
22 population and prevalence of tenancy, in addition to the
23 amount otherwise distributed thereto, for loans in reclama-
24 tion projects and to entrymen on unpatented public land; title
25 II of the Bankhead-Jones Farm Tenant Act, as amended,

1 $120,000,000; the Act of August 28, 1937, as amended,
2 $6,500,000: *Provided,* That not to exceed the foregoing sev-
3 eral amounts shall be borrowed in one account from the Secre-
4 tary of the Treasury in accordance with the provisions set
5 forth under this head in the Department of Agriculture
6 Appropriation Act, 1952.

7 SALARIES AND EXPENSES

8 For making, servicing, and collecting loans and insured
9 mortgages, the servicing and collecting of loans made under
10 prior authority, the liquidation of assets transferred to Farm-
11 ers' Home Administration, and other administrative ex-
12 penses, $23,750,000, together with a transfer of not to
13 exceed $400,000 of the fees and administrative expense
14 charges made available by subsections (d) and (e) of section
15 12 of the Bankhead-Jones Farm Tenant Act, as amended.

16 OFFICE OF THE SOLICITOR

17 For necessary expenses, including payment of fees or
18 dues for the use of law libraries by attorneys in the field
19 service, $2,000,000, together with such amounts from other
20 appropriations or authorizations as are provided in the
21 schedules in the budget for the current fiscal year for such
22 expenses, which several amounts not exceeding a total of
23 $300,000 shall be transferred to and made a part of this
24 appropriation.

1 OFFICE OF THE SECRETARY

2 For expenses of the Office of the Secretary of Agriculture,
3 including the purchase of one passenger motor vehicle for
4 replacement only; expenses of the National Agricultural
5 Advisory Commission; stationery, supplies, materials, and
6 equipment; freight, express, and drayage charges; adver-
7 tising of bids, communication service, postage, washing
8 towels, repairs and alterations, and other miscellaneous
9 supplies and expenses not otherwise provided for and nec-
10 essary for the practical and efficient work of the Department
11 of Agriculture; $2,050,000, together with such amounts from
12 other appropriations or authorizations as are provided in the
13 schedules in the budget for the current fiscal year for such
14 services and expenses, which several amounts or portions
15 thereof, as may be determined by the Secretary, not exceeding
16 a total of $84,280, shall be transferred to and made a part
17 of this appropriation.

18 OFFICE OF INFORMATION

19 For necessary expenses of the Office of Information for
20 the dissemination of agricultural information and the co-
21 ordination of informational work and programs authorized
22 by Congress in the Department, $1,180,400, together
23 with such amounts from other appropriations or au-
24 thorizations as are provided in the schedules in the budget

1 for the current fiscal year for such expenses, which several
2 amounts not exceeding a total of $16,014 shall be trans-
3 ferred to and made a part of this appropriation, of which
4 total appropriation not to exceed $324,000 may be
5 used for farmers' bulletins, which shall be adapted to the
6 interests of the people of the different sections of the country,
7 an equal proportion of four-fifths of which shall be delivered
8 to or sent out under the addressed franks furnished by the
9 Senators, Representatives, and Delegates in Congress, as
10 they shall direct (7 U. S. C. 417) and not less than two
11 hundred thirty thousand eight hundred and fifty copies for
12 the use of the Senate and House of Representatives of part 2
13 of the annual report of the Secretary (known as the Year-
14 book of Agriculture) as authorized by section 73 of the Act
15 of January 12, 1895 (44 U. S. C. 241) : *Provided,* That in
16 the preparation of motion pictures or exhibits by the Depart-
17 ment, not exceeding a total of $10,000 may be used for
18 employment pursuant to the second sentence of section 706
19 (a) of the Organic Act of 1944 (5 U. S. C. 574), as
20 amended by section 15 of the Act of August 2, 1946 (5 U.
21 S. C. 55a) : *Provided further,* That no part of this appro-
22 priation shall be used for the establishment or maintenance
23 of regional or State field offices, or for the compensation of
24 employees in such offices.

1 LIBRARY

2 For necessary expenses, including dues for library mem-
3 bership in societies or associations which issue publications to
4 members only or at a price to members lower than to sub-
5 scribers who are not members, $659,950.

6 TITLE II—CORPORATIONS

7 The following corporations and agencies are hereby au-
8 thorized to make such expenditures, within the limits of funds
9 and borrowing authority available to each such corpora-
10 tion or agency and in accord with law, and to make such con-
11 tracts and commitments without regard to fiscal year limi-
12 tations as provided by section 104 of the Government Corpo-
13 ration Control Act, as amended, as may be necessary in
14 carrying out the programs set forth in the budget for the
15 fiscal year 1955 for such corporation or agency, except as
16 hereinafter provided:

17 Federal Crop Insurance Corporation: *Provided,* That
18 the direct costs of loss adjusters for crop inspections and loss
19 adjustments may be considered as nonadministrative or
20 nonoperating expenses.

21 Commodity Credit Corporation: Nothing in this Act
22 shall be so construed as to prevent the Commodity Credit
23 Corporation from carrying out any activity or any program
24 authorized by law: *Provided,* That not to exceed $18,000,-
25 000 shall be available for administrative expenses of the

1 Corporation: *Provided further,* That all necessary expenses
2 (including legal and special services performed on a contract
3 or fee basis, but not including other personal services) in
4 connection with the acquisition, operation, maintenance.
5 improvement, or disposition of any real or personal property
6 belonging to the Corporation or in which it has an interest,
7 including expenses of collections of pledged collateral, shall
8 be considered as nonadministrative expenses for the purposes
9 hereof.

10 TITLE III—SPECIAL ACTIVITIES

11 RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL
12 MATERIALS

13 For expenses necessary to carry out section 7 (b) of the
14 Strategic and Critical Materials Stock Piling Act of July 23,
15 1946 (50 U. S. C. 98f), $331,500: *Provided,* That
16 this appropriation shall be subject to applicable provisions
17 contained in the item "Salaries and expenses, Agricultural
18 Research Service".

19 TITLE IV—FARM CREDIT ADMINISTRATION

20 Administrative expenses: For necessary expenses, in-
21 cluding services as authorized by section 15 of the Act of
22 August 2, 1946 (5 U. S. C. 55a), the assessments heretofore
23 and hereafter collected from the Federal land banks and
24 other farm credit agencies, to remain available until ex-
25 pended: *Provided,* That not to exceed $2,320,000 shall be

1 obligated during the current fiscal year for such expenses.

2 Federal Farm Mortgage Corporation: Not to exceed
3 $650,000 (to be computed on an accrual basis) of the funds
4 of the Corporation shall be available for administrative ex-
5 penses, including employment on a contract or fee basis of
6 persons, firms, and corporations for the performance of
7 special services, including legal services, and the use of the
8 services and facilities of Federal land banks, National farm
9 loan associations, Federal Reserve banks, and agencies of
10 the Government as authorized by the Act of January 31,
11 1934 (12 U. S. C. 1020–1020h); and said total sum shall
12 be exclusive of services and facilities furnished and examina-
13 tions made by the Farm Credit Administration central office,
14 interest expense, and expenses in connection with the acqui-
15 sition, operation, maintenance, improvement, protection, or
16 disposition of real or personal property belonging to the
17 Corporation or in which it has an interest: *Provided,* That
18 promptly after June 30 of each fiscal year all cash funds in
19 excess of the estimated operating requirements for the cur-
20 rent fiscal year shall be declared as dividends and paid into
21 the general fund of the Treasury: *Provided further,* That
22 the aggregate amount of bonds the Corporation may issue
23 and have outstanding at any one time shall not exceed
24 $500,000,000.

25 Federal intermediate credit banks: Not to exceed

1 $1,740,000 (to be computed on an accrual basis) of the
2 funds of the banks shall be available for administrative ex-
3 penses, including the purchase of not to exceed two passenger
4 motor vehicles for replacement only, and services performed
5 for the banks by other Government agencies (except services
6 and facilities furnished and examinations made by the Farm
7 Credit Administration central office, and services performed
8 by any Federal Reserve bank and by the United States
9 Treasury in connection with the financial transactions of the
10 banks); and said total sum shall be exclusive of interest
11 expense, legal and special services performed on a contract
12 or fee basis, and expenses in connection with the acquisition,
13 operation, maintenance, improvement, protection, or dis-
14 position of real or personal property belonging to the banks
15 or in which they have an interest.

16 Production credit corporations; Not to exceed $1,540,-
17 000 (to be computed on an accrual basis) of the funds
18 of the corporation shall be available for administra-
19 tive expenses, including the purchase of not to exceed
20 five passenger motor vehicles for replacement only, and
21 services performed for the corporations by other Government
22 agencies (except services and facilities furnished and exam-
23 inations made by the Farm Credit Administration central
24 office); and said total sum shall be exclusive of interest
25 expense, legal and special services performed on a contract

1 or fee basis, and expenses in connection with the acquisition,
2 operation, maintenance, improvement, protection, or dis-
3 position of real or personal property belonging to the
4 corporations or in which they have an interest.

5 TITLE V—GENERAL PROVISIONS

6 SEC. 501. Within the unit limit of cost fixed by law, the
7 lump-sum appropriations and authorizations made for the
8 Department under this Act shall be available for the pur-
9 chase, in addition to those specifically provided for, of not to
10 exceed 500 passenger motor vehicles for replacement
11 only, and for the hire of such vehicles, necessary in the con-
12 duct of the work of the Department outside the District of
13 Columbia.

14 SEC. 502. Provisions of law prohibiting or restricting
15 the employment of aliens shall not apply to (1) the tem-
16 porary employment of translators when competent citizen
17 translators are not available; (2) employment in cases of
18 emergency of persons in the field service of the Department
19 for periods of not more than sixty days; and (3) employ-
20 ment under the appropriation for the Foreign Agricultural
21 Service.

22 SEC. 503. Of appropriations herein made which are
23 available for the purchase of lands, not to exceed $1 may be
24 expended for each option to purchase any particular tract or
25 tracts of land.

1 SEC. 504. No part of the funds appropriated by this Act
2 shall be used for the payment of any officer or employee of
3 the Department who, as such officer or employee, or on be-
4 half of the Department or any division, commission, or bu-
5 reau thereof, issues, or causes to be issued, any prediction,
6 oral or written, or forecast, except as to damage threatened
7 or caused by insects and pests, with respect to future prices
8 of cotton or the trend of same.

9 SEC. 505. Except to provide materials required in or
10 incident to research or experimental work where no suitable
11 domestic product is available, no part of the funds appro-
12 priated by this Act shall be expended in the purchase of twine
13 manufactured from commodities or materials produced outside
14 of the United States.

15 SEC. 506. Not less than $1,500,000 of the appropriations
16 of the Department for research and service work authorized
17 by the Act of August 14, 1946 (7 U. S. C. 427, 1621–
18 1629) shall be available for contracting in accordance with
19 said Act.

20 SEC. 507. No part of any appropriation contained in
21 this Act, or of the funds available for expenditure by any
22 corporation included in this Act, shall be used to pay the
23 salary or wages of any person who engages in a strike against
24 the Government of the United States or who is a member
25 of an organization of Government employees that asserts the

1 right to strike against the Government of the United States,
2 or who advocates, or is a member of an organization that
3 advocates, the overthrow of the Government of the United
4 States by force or violence: *Provided,* That for the purposes
5 hereof an affidavit shall be considered prima facie evidence
6 that the person making the affidavit has not contrary to the
7 provisions of this section engaged in a strike against the
8 Government of the United States, is not a member of an
9 organization of Government employees that asserts the right
10 to strike against the Government of the United States, or
11 that such person does not advocate, and is not a member of
12 an organization that advocates, the overthrow of the Govern-
13 ment of the United States by force or violence: *Provided*
14 *further,* That any person who engages in a strike against
15 the Government of the United States or who is a member of
16 an organization of Government employees that asserts the
17 right to strike against the Government of the United States,
18 or who advocates, or who is a member of an organization
19 that advocates, the overthrow of the Government of the
20 United States by force or violence and accepts employment
21 the salary or wages for which are paid from any appropria-
22 tion or fund contained in this Act shall be guilty of a felony
23 and, upon conviction, shall be fined not more than $1,000
24 or imprisoned for not more than one year, or both: *Provided*
25 *further,* That the above penalty clause shall be in addition

1 to, and not in substitution for, any other provisions of exist-
2 ing law: *Provided further,* That nothing in this section shall
3 be construed to require an affidavit from any person em-
4 ployed for less than sixty days for sudden emergency work
5 involving the loss of human life or destruction of property,
6 the payment of salary or wages may be made to such persons
7 from applicable appropriations for services rendered in such
8 emergency without execution of the affidavit contemplated
9 by this section.

10 SEC. 508. No part of any appropriation contained in
11 this Act or of the funds available for expenditure by any
12 corporation or agency included in this Act shall be used for
13 publicity or propaganda purposes to support or defeat legis-
14 lation pending before the Congress.

15 SEC. 509. Appropriations of the Department available
16 for research and service work authorized by the Act of
17 August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629)
18 shall be available for expenses of any advisory committee
19 established as provided in title III of said Act to assist in
20 effectuating the research and service work of the Department.

21 This Act may be cited as the "Department of Agriculture
22 Appropriation Act, 1955".

[FULL COMMITTEE PRINT]

Union Calendar No.

83D CONGRESS
2D SESSION

H. R.

[Report No.]

A BILL

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

By Mr. H. CARL ANDERSEN

APRIL 9, 1954

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 12, 1954
For actions of April 9, 1954
83rd-2nd, No. 66

CONTENTS

HIGHLIGHTS: House committee reported agricultural appropriation bill, and Rules Committee cleared it. Senate debated buildings lease-purchase bill. Sen. Anderson introduced and discussed bill for irrigation-well loans.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1955. The Appropriations Committee reported without amendment this bill, H. R. 8779, and the Rules Committee reported a resolution for its consideration without points of order (p. D398). Debate on the bill is to begin today, following consideration of D. C. bills. The "Daily Digest" states that "if a record vote is demanded on its passage on Tuesday, then the vote will be deferred until Wednesday, as Tuesday is primary day in Illinois (p. D400).

Representatives of the Department agencies have been advised in detail of the Committee's actions on the estimates for the Department. Copies of the bill committee report, and hearings will be distributed directly to the agency budget offices, as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. The agencies will receive the material at the same time this office will receive it. The material will not be distributed from this office. In general, copies should be obtained from the agency budget offices rather than from this office.

At the end of this Digest is a summary comparison of the Committee actions with the 1955 estimates and with total anticipated funds available in 1954, and excerpts from the committee report.

SENATE

2. BUILDINGS. Continued debate on H. R. 6342, to authorize GSA to provide for private construction of buildings with lease agreements providing for gradual purchase of the buildings by the Government. Rejected, 8 to 60, a Dirksen amendment providing for a waiting period before effectuation of the larger contracts, in lieu of the committee recommendation for agreement with the Public Works Committees on such contracts. (pp. 4664-77.)

3. WOOL PRICE SUPPORTS. Sen. Anderson inserted his legislative report of 1946 favoring a bill to authorize direct payments in connection with wool supports (pp. 4683-4).

4. DAIRY INDUSTRY. Sen. Humphrey inserted a Wholesale Grocers' Assn. letter favoring S. 3079, his bill to distribute surplus dairy products to the needy (pp.4648-9).

5. FOREIGN AID. The Foreign Relations Committee reported with amendments S. Res. 214, providing for a study of technical-assistance programs (S.Rept.1198,p.4649).

6. ROAD AUTHORIZATIONS. A substitute conferee was appointed on H. R. 8127, the road-authorizations bill (p. 4651).

7. FEES AND CHARGES. Sen. Bricker inserted the resolution of the Interstate and Foreign Commerce Committee recommending postponement of the Budget Circular on fees and charges and inserted the Circular (pp. 4651-2).

8. BANKING AND CURRENCY. Sen. Humphrey charged "tight credit and hard money" and said this policy has injured farmers and others (pp. 4654-64).

9. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1954. The Appropriations Committee completed hearings on this bill, H. R. 8481, and is to mark it up Apr. 13 (p.D396).

10. RECESSED until Mon., Apr. 12 (p. 4694). Legislative program, as announced by Sen. Knowland: Lease-purchase, wool supports, Carlson personnel bill, Sugar Agreement; no session Tues. or Fri. (pp. 4676-7).

BILLS INTRODUCED

11. FARM LOANS. S. 3289, by Sen. Anderson, to authorize USDA to insure loans for irrigation wells; to Agriculture and Forestry Committee. Remarks of author. (pp. 4649-51.)

12. WHEAT. S. 3285, by Sen. Neely, to donate price-support wheat to the needy; to Agriculture and Forestry Committee (p. 4649).

13. CREDIT UNIONS. H. R. 8724, by Rep. Pelly (introduced Apr. 6), to require bonding of personnel of Federal credit unions; to Banking and Currency Committee.

14. SABOTAGE. H. R. 8749, by Rep. Poff (introduced Apr. 7), to amend the anti-sabotage law so as to include forage, forest products, standing timber, and water and to make it applicable to times of emergency as well as during war.

ITEMS IN APPENDIX

15. DAIRY INDUSTRY. Sen. Lehman inserted a Dairymen's League News (N. Y.) article discussing some of the problems of milk production (pp. A2735-6).

16. RECLAMATION. Sen. Morse inserted G. H. Robinson's speech favoring the Hells Canyon project (pp. A2737-8).

Extension of remarks of Rep. Metcalf favoring Libby Dam (pp. A2740-1).

Sen. Morse inserted a Jordan Farm Bureau Center resolution urging appropriations for continued development of Hells Canyon (p. A2743).

17. APPROPRIATIONS. Rep. Teague inserted M. T. Harrington's (Texas A&M) explanation of the proposed use of research and extension appropriations (p. A2742).

COMMITTEE HEARINGS RELEASED BY GPO

18. SUGAR. Executive B, International Sugar Agreement. S. Foreign Relations Com.

COMMITTEE HEARING ANNOUNCEMENTS FOR APR. 12: Price supports, S. and H. Agriculture. USDA appropriations for 1955, S. Appropriations.

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Rm. 105A.

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UNITED STATES DEPARTMENT OF AGRICULTURE

House Committee Bill, 1955, Compared with Appropriations and REA and FHA Loan Authorizations, 1954, and with Budget Estimates, 1955

(Note.--Amounts for 1954 are adjusted for comparability with the appropriation structure proposed in the 1955 House Committee Bill).

Agency or Item	Appropriations and Loan Authorizations, 1954	Budget Estimates, 1955	House Committee Bill, 1955	Increase (+), or Decrease (-), House Committee Bill Compared With: Appropriations and Loan Authorizations, 1954	Budget Estimates, 1955
ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:					
Agricultural Research Service:					
Research	$32,902,365	$35,353,000	$33,154,365	+$252,000	-$2,198,635
Plant and animal disease and pest control, and meat inspection	32,110,650	29,325,000	31,651,380	-459,270	+2,326,380
Payments to State Experiment Stations	13,721,708	19,453,708	15,453,708	+1,732,000	-4,000,000
Foot-and-Mouth and other contagious diseases of animals and poultry	- -	2,134,000	1,800,000	+1,800,000	-334,000
Extension Service (principally payments to States)	35,294,564	43,600,000	38,876,514	+3,581,950	-4,723,486
Forest Service	a/ 78,648,408	71,882,500	72,575,954	-6,072,454	+693,454
Soil Conservation Service	59,504,279	55,378,000	58,645,671	-858,608	+3,267,671
Watershed protection	5,000,000	5,000,000	5,000,000	- -	- -
Flood prevention	6,982,000	5,739,000	6,982,000	- -	+1,243,000
Agricultural Conservation Program Service	211,982,000	195,000,000	b/ 191,700,000	-20,282,000	-3,300,000
Agricultural Marketing Service:					
Marketing research and agricultural estimates	8,702,200	10,215,000	9,100,800	+398,600	-1,114,200
Marketing services	11,763,053	11,243,500	11,463,500	-299,553	+220,000
Payments to States	573,000	900,000	573,000	- -	-327,000
Repayment to Commodity Credit Corporation for certain grading and classing costs in 1952 and 1953	768,505	441,655	441,655	-326,850	- -
School lunch program	83,236,197	68,000,000	77,011,416	-6,224,781	+9,011,416

EXCERPTS FROM COMMITTEE REPORT

RESEARCH AND EDUCATION VERSUS ACTION PROGRAMS

The committee has presented to it a Budget which sharply curtailed the so-called "action" programs of the Department and placed strong emphasis on its research and extension activities. Increases totaling $18,182,000 were included for research and extension programs, while decreases of $29,327,634 were proposed for the Forest Service, Soil Conservation Service, Federal Crop Insurance Corporation, Rural Electrification Administration, Farmers Home Administration and the School Lunch Program. In addition, decreases of $3,440,203, were proposed for disease and pest control, and inspection, grading, classing, and standardization of agricultural commodities.

The committee has a long record of support for research and educational programs of the Department of Agriculture. It agrees that these programs must be kept strong and effective to develop new and improved methods of meeting agricultural problems and to encourage wider use of research results on the farms of the nation. A few years ago the committee made a determined and successful effort to increase the funds for the Extension Service by several million dollars. The committee initiated the action which resulted in the adoption of legislation last June removing the appropriation ceiling for the Extension Service. Further, the committee was successful last year in adding $1,700,000 to the research appropriations of the Department.

In the accompanying bill, the committee has gone along with increases for research and extension as far as possible within budgetary limitations. Approximately 30 percent of the increase proposed in the Budget for the State Experiment Stations is included in the bill. Over 45 percent of the increased appropriations recommended for the Extension Service has been approved.

The committee does not agree however with recommendations contained in the 1955 Budget substantially reducing the Federal "action" programs, and has restored some of these cuts. It believes that the Department must continue a level of operation for such programs which will "hold the line" until the additional research and education has provided better answers to the nation's many problems on the farm. The severity of problems resulting from prolonged drought and loss of farm income make it imperative that administrative funds for the Farmers Home Administration be maintained somewhere near existing levels. Due to the need for some central authority to coordinate insect control programs and provide uniform quarantine regulations, the committee believes it inadvisable to sharply curtail these programs. Neither does it agree with the proposed elimination of funds for indemnity payments for the control of tuberculosis and brucellosis of cattle. It is to be noted that no agreements or other arrangements have been made for the States to take over these insect and disease control programs, even if they could handle them.

Due to the fact that some 40 percent of the crop land of the country has been severely damaged or lost entirely, and an additional 20 percent is at present undergoing severe erosion, the committee does not agree with the cuts proposed in the soil conservation and flood prevention activities of the Department. It also questions the advisability of curtailing programs of the Forest Service having to do with the protection and reforestation of the national forests, and disagrees with the efforts to eliminate the cooperative programs for forest tree planting and management on State and private lands.

BASIS FOR BUDGET REDUCTIONS

The total appropriations included in the bill for the regular activities of the Department are the same as the amount recommended in the 1955 Budget. This is an overall reduction of $36,282,126 below the level of appropriations for the current fiscal year, a cut of nearly 5 percent. The committee has gone along with this reduction, in view of the urgent need to curtail Federal expenditures wherever possible. It believes, however, that this is a rather substantial cut in view of the fact that the appropriations of the Department have been carefully held down through the years. Since 1940, the regular funds of the Department have been reduced by 32 percent, while appropriations for the balance of the Federal civilian departments and agencies have increased 110 percent.

AGRICULTURAL RESEARCH SERVICE

Research. The committee recommends a total of $33,154,365 for 1955, a reduction from the Budget of $2,198,635 and an increase of $252,000 over appropriations for 1954. This increase provides $50,000 for research on Nematodes, $150,000 for research on irrigation in arid and humid areas, $75,000 for research on cotton utilization, and $15,000 for research on cheese mites. These increases are offset by a reduction of $38,000 for the National Arboretum. While the committee recognizes the importance of the various other items for which increases have been requested in the budget, it believes that such work should be undertaken within funds presently available.

Plant and animal disease and pest control. The committee recommends a total of $17,461,380 for 1955, a decrease of $459,270 below the 1954 appropriation and an increase of $2,461,380 over the Budget. The decrease includes the following reductions: Citrus blackfly and Mexican fruitfly control, $29,500; Hall scale eradication, $35,200; grasshopper and Norman cricket control, $19,100; detection and advisory service, $87,600; emergency outbreaks of insects and plant diseases, $200,000; Insecticide, Fungicide, and Rodenticide Act, $76,763; plant quarantine, $86,400; eradicating scabies, $18,547; eradicating cattle ticks, $58,552; control of virus, serums, toxins, etc., $41,808; and administration of the Process Butter Act, $5,800.

Offsetting these decreases, the bill provides an increase of $200,000 for the payment of indemnities under the tuberculosis and brucellosis eradication programs. In view of the seriousness of the threat to the health of the people of the country from these two animal diseases, the committee feels that at least $1,000,000 should be set aside to make certain that adequate funds are available for such indemnity payments next year. It is expected that, because of lower income to dairy farmers, considerable culling of dairy herds should result. This in turn will increase the need for a larger indemnity fund than in previous years because of the probable slaughter of many more reactors than has occurred in the past. This action is not intended to increase the level of payments under the program.

The committee urges the Department to get together with the States at the earliest possible date and work out a satisfactory long-range policy with regard to these control programs. It feels that, if the work is needed and there is definitely a national interest, there should not be any withdrawal of existing Federal support, unless the program can best be carried on by the States. It also feels that satisfactory arrangements must be worked out well in advance with the States, if it is finally decided to withdraw Federal support, and congressional approval should be secured prior to adoption of any final plans.

Foot and mouth and other contagious diseases of animals and poultry. A budget estimate of $2,134,000 was received on March 26 (H. Doc. No. 357) to permit the Department to initiate research on foot-and-mouth disease in the laboratory on Plum Island, New York. The Chemical Corps of the Department of the Army contemplates transferring all facilities under its control on Plum Island to the Department of Agriculture on July 1, 1954 for such research work. The committee recommends an appropriation for 1955 of $1,800,000 for this purpose.

EXTENSION SERVICE

Payments to States, Hawaii, Alaska, and Puerto Rico. The sum of $35,610,279 is recommended for 1955 for payments to State Land-Grant Colleges for extension activities. This is a decrease of $4,064,721 below the budget estimate but an increase of $3,361,950 over funds available for the current fiscal year. The increase provides an additional $3,000,000 for cooperative agricultural extension work and $395,000 for payments to states under the Agricultural Marketing Act of 1946, offset by a reduction of $33,050 due to absorbing farm housing activities within regular activitie

FOREST SERVICE

Salaries and expenses. Of the reductions of $2,026,700 proposed in the Budget for protection and management activities, the committee has agreed to cuts totaling $829,000. This includes reductions for the following items: maintenance of improvements, $150,000; personnel reductions and consolidations of certain National Forests and ranger districts, $212,300; development of land utilization projects, $513,000; reforestation, $20,000; range revegetation, $65,000; and acceleration of flood prevention measures, $88,400.

Offsetting these reductions, the committee has inserted an additional $219,700 to meet the urgent need for increased timber sales. The committee feels that these funds should be used partially to strengthen the timber sales staff by bringing in persons with background in the promotion of timber sales and the handling of the business aspects of such sales. It is the committee's opinion that the Federal Government is not getting as good prices for its timber as it could with a stronger sales staff.

Decreases totaling $486,354 are recommended for control of forest pests as follows: leadership, coordination, and technical direction of white-pine blister rust control $60,000; white-pine blister rust control on National Forests, $176,354, and on Interior Department lands, $100,000; and forest pest control, $150,000.

The increase of $57,900 recommended for research includes an additional $100,000 for forest genetics investigations, an additional $20,000 for research to improve methods of marketing farm forest products, offset by a decrease of $62,100 for research on forest insects.

The elimination of language restricting research outside the United States has been approved as recommended in the Budget. The committee wishes to be consulted in advance, however, relative to proposals to engage in such work in any foreign country other than Canada.

Forest roads and trails. The 1954 appropriation of $14,498,000 is recommended for 1955. This is a decrease of $1,502,000 below the Budget. The amount recommended includes $7,500,000 for construction of roads and trails in Washington and Oregon and other areas where there is an urgent need to salvage timber due to serious insect epidemics. While these funds were justified primarily for the Washington-Oregon area, it is not the intention of the committee to restrict their use to this region, where serious epidemics in other areas warrant the use of a portion of the funds.

State and private forestry cooperation. An appropriation of $10,608,690 is recommended for 1955, a decrease of $75,000 below the appropriation for 1954 and an increase of $1,485,690 above the Budget. This amount will permit full restoration of the proposed cuts for forest tree planting and forest management and processing, and will restore all but $75,000 of the budget reduction for forest fire control.

SOIL CONSERVATION SERVICE

Conservation operations. The committee does not agree with the proposed reduction in the number of area field offices and has restored $1,077,671 to provide for continuation of the present offices. In addition, it has added $2,190,000 to permit staffing of the 76 new districts which are being established in the fiscal year 1954 and the 67 districts which are expected to come into existence during the 1955 fiscal year. The committee expects the Secretary to follow the action of Congress in this recommendation.

In accordance with the plan adopted last year for a substantial reduction in the soil conservation nursery program, the Department will have turned over to States or local agencies all but nine of its original 24 nurseries by the end of the current fiscal year. Of the nine nurseries which are being retained under Federal control to serve as permanent experimental stations in the various areas of the country, five will be operated by non-Federal cooperating agencies where satisfactory working agreements have been worked out. The remaining four will continue to be operated as research and observational facilities by the Department.

Funds for necessary information service at the national level and in the field to assist State offices shall be available from this appropriation.

Flood prevention. The committee recommends $6,982,000 for 1955, the full appropriation authorized for 1954. This amount will permit the continuation of works of improvement at slightly in excess of the 1954 level, in view of the decrease proposed in survey work. The committee agrees with the budget increase included for general basin investigations work in the Arkansas-White-Red and New England-New York areas.

The flood prevention work in the eleven authorized watersheds consists of the installation of measures primarily for flood prevention financed from this appropriation, together with acceleration of the application of complementary conservation land treatment and forestry measures contributing to flood prevention financed from other appropriations of the Department, principally from the Conservation Operations appropriation of the Soil Conservation Service. The latter funds are available for such additional technical assistance to soil conservation districts, landowners and operators, and related materials and land treatment work as is necessary for maximum flood prevention progress in these watersheds.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

The committee recommends the sum of $191,700,000 for 1955, which is $20,282,000 below 1954 and $3,300,000 below the budget estimate. This reduction, which is based on testimony indicating that there will be an unobligated balance of 3.3 million dollars at the end of the program year, will have no effect on the ability of the Department to meet its commitments made in connection with the program announced for the 1954 crop year.

An advance authorization of $250,000,000 for the 1955 crop year is approved, as recommended in the budget estimate submitted in House Document No. 352. The language in the accompanying bill provides that $55,000,000 of this amount shall be placed in reserve until the Congress has adopted a program relative to the use of lands diverted from production.

The committee recognizes the urgent need for the adoption of a program designed to remove acreage from crop production and place these acres in a soil conserving reserve status. This will not only be an effective means of reducing further accumulations of commodity surpluses, but will also contribute to a balanced program of farming needed to assure a productive agriculture which, in the near future, will be called upon to meet the increased food requirements of a population growing at the rate of 2.6 million each year.

The committee realizes the importance of establishing good soil conserving practices on land taken out of production under such a diverted acreage program, and believes that special attention should be given to these problems under the Agricultural Conservation Program. It feels strongly that, in the interests of economy and good soil conservation, the sum of $55 million is entirely inadequate to do the job. It has included no more than this amount--the budget estimate--since a program must be finally determined before the amount of funds needed for the diverted acreage program can be ascertained. When the final program is developed, the amount provided, $55 million, will have to be supplemented.

AGRICULTURE MARKETING SERVICE

Marketing research and service. The increase of $398,600 recommended for marketing research and agricultural estimates includes $223,600 for development of new markets, $75,000 for development of estimates of farm production expenditures and net farm income, and $100,000 for crop and livestock estimates. The reduction of $299,553 for marketing services includes all decreases recommended in the Budget, with the exception of $220,000 for inspection services for fresh fruit and vegetables, which has been reinstated. This is a voluntary inspection service to stimulate good shipping and marketing practices and the committee does not feel that the appropriation cut and increase in inspection fees is warranted.

In view of the wide variation in percentage of inspection costs recovered from fees for the various agricultural commodities, the committee strongly urges the House Committee on Agriculture to consider recommending new legislation designed to develop a more uniform policy as to assessing fees for such inspection service.

Repayment to Commodity Credit Corporation. The budget for the USDA for tobacco grading and related demonstration activities, which are of substantial assistance to farmers in preparing their tobacco for market, would eliminate practically all demonstration work in fiscal year 1955 as well as continue current per diem practices

which force tobacco inspectors to cover their own living costs in cases where they are away from their official stations more than 60 days. The committee feels that adequate demonstration activities should be continued and that some correction should be made in the per diem practices in the interest of maintaining the grading work which is so important to the marketing of all tobacco as well as the administration of the tobacco price-support program.

Since the section on "Marketing Services" in the Appropriation Act for 1952 (Public Law 135, 82d Cong., Aug. 31, 1951) authorizes supplemental advances from the Commodity Credit Corporation to meet tobacco grading costs, a change in the appropriation bill is not necessary to provide the additional funds needed for the activities indicated above, which are an integral part of the grading work, and which the committee expects will be covered by the authorized advances.

School-lunch program. The committee recommends a total appropriation of $77,011,416, an increase of $9,011,416 over the budget and a decrease of $6,224,781 below the 1954 appropriation.

The Budget recommends the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act, for which $15,000,000 was appropriated in 1954. The committee disagrees with the Budget and recommends the restoration of $9,011,416 for this purpose in 1955, the maximum amount possible within the overall budget total.

The purchase of foods under section 6 has helped schools meet nutritional requirements and provide a balanced diet. While there has been an increase in the amount of surplus commodities acquired for school-lunch programs with section 32 funds, a great many such commodities are not identical in kind or in nutritional characteristics with those purchased under section 6. In order to meet nutritional requirements and provide a balanced diet there is still a vital need for section 6 purchases, particularly fruits and vegetables.

FOREIGN AGRICULTURAL SERVICE

The committee recognizes the healthy emphasis on foreign trade for Agriculture that the reorganization of the Department has provided and, therefore, has allowed the full budget estimate for 1955. Moreover, the committee feels that "section 32" funds should be utilized to the maximum for removal of surplus stocks and the regaining and maintenance of historical foreign markets at this time.

COMMODITY STABILIZATION SERVICE

Agricultural adjustment programs. The committee recommends $40,000,000 for 1955, which is $4,312,000 below the 1954 appropriation and $2,500,000 below the budget estimate. In view of indications that fewer farmers will participate in the acreage-control programs next year, the committee feels that the funds provided are adequate.

The budget proposal to eliminate language relating to providing advice and assistance to selective service authorities has been agreed to. It should be clearly understood, however, that this action in no way affects the authority of National, State, and county committee officials to perform this service wherever necessary.

FEDERAL CROP INSURANCE CORPORATION

The budget estimate of $5,700,000 is recommended for 1955, a reduction of $1,750,000 below the funds provided for the current fiscal year. This budget reduction has been proposed on the basis of two factors: (1) no additional counties will be added to the program in 1955, and (2) the cost of crop inspections and loss adjustments will be transferred to premium income during the fiscal year 1955 for the first time.

In view of the fact that the program has not expanded as fully as expected, there is some possibility that the increase in premiums due to this change in policy will reduce coverage and further hurt chances of success of the program. The committee is agreeing to the proposed change for 1955 in order to give officials of the Department an opportunity to operate on the new basis. However, it will watch developments closely before agreeing to such a change on a permanent basis.

The committee has not agreed to the proposal to charge a portion of the cost of contract sales to premium income. It feels that all field employees of the Department should help in the promotion of this program and in the writing of insurance contracts in connection with their regular duties.

RURAL ELECTRIFICATION ADMINISTRATION

For salaries and expenses, the committee recommends $7,285,000, an increase of $200,000 in the budget estimate and a decrease of $269,250 below 1954. The additional funds are provided to handle the recommended increase for loan authorization relative to the electrification program, and to expedite the handling of the large backlog of loan applications on hand.

FARMERS HOME ADMINISTRATION

The increase of $1,500,000 for salaries and expenses has been added to assure adequate personnel in State and county offices to provide needed assistance to the borrowers and to maintain adequate protection of the Government's investment of around $750 million in this program. The committee has been impressed with the record of the Farmers Home Administration in assisting needy farm families to become established in enterprises that are economic and sound, and feels that its success is due to the fact that it has actively supervised the loans it has made. The making of loans to properly safeguard the borrower's interest and the security of the Government demands careful scrutiny, good judgment and a complete understanding of farm and home management.

The Congress has over the years approved the supervised lending program of this agency, and the committee feels that adequate personnel of the State and county level concerned with the supervisory aspects of the agency's programs must be maintained. The committee is concerned with the proposal that the number of district supervisors be lowered. It is felt that the employment of personnel with training and knowledge of market values, farm and home practices and good judgment will protect the interests of the Government, lead to sound economic loans, and encourage better farm family living. This is particularly true in a period of declining farm prices and small operating margins for the agricultural producer.

Testimony received during committee hearings indicates that it is proposed to utilize the home demonstration agents of the Extension Service to perform the functions which have been provided by home supervisors of FHA. The committee feels that this is not a practical proposal, since the type of people served by the Extension Service are not the same as those which utilize the facilities of the Farmers Home Administration, the objectives of the two programs are not the same, and the training and background of the personnel of the two agencies is not the same. The committee also feels that an adequate number of appraisers must be maintained to make certain that the program is operated on a sound basis. In this connection it should be pointed out that a loan program of this type, which has such an outstanding repayment record, is far more desirable and less costly to the taxpayer that an outright relief program which would be the only alternative.

OFFICE OF INFORMATION

The increase over the Budget results from the reinstatement of $228,000 for the Yearbook of Agriculture and the denial of the proposed increase of $15,600 for additional work on preparation and distribution of agricultural information by television. The committee feels that the continuation of the Agriculture Yearbook is equally as important as placing increased emphasis on research and educational activities of the Department. The Agricultural Yearbook is one of the principal means of making the findings of the research programs available to agricultural producers.

SMALL BUSINESS—MILITARY PROCUREMENT

Select Committee on Small Business: Subcommittee on Military Procurement met in executive session with representatives of the Departments of Defense, the Army, Navy, and Air Force to discuss joint determination programs and research and development programs, but made no announcements.

Subcommittee will continue its hearings April 13.

House of Representatives

Chamber Action

The House was not in session today. Its next meeting will be held on Monday, April 12, at 12 o'clock noon. For program, see Congressional Program Ahead in this DIGEST.

Committee Meetings

FARM PROGRAM

Committee on Agriculture: W. M. Case, executive director of the National Potato Council, testified during the long-range farm program hearing today, and urged that legislation be incorporated into the Agricultural Act to make it compulsory that diverted acreage be planted to crops for the sole purpose of improving the soil. He also endorsed the present Agricultural Marketing Agreements Act.

Another witness, William Fette, representing the National Confectioners Association, spoke in opposition to the 90-percent support price for basic commodities, particularly peanuts, which he stated should not be classified as a basic commodity. Two representatives appeared for the Association of Frozen Food Packers, as follows—C. L. Snavely, of the Consumers Packing Co.; and John Fox, president of the Minute Maid Corp. Mr. Snavely spoke in opposition to extension of authority to impose marketing orders to fruits and vegetables for freezing, as contained in the Agricultural Marketing Agreements Act; and Mr. Fox cited the need of permitting the industry to work out its own problems, and the development of a market for surplus rather than restrict availability for processing.

The following representatives of the National Canners Association appeared in opposition to provisions in section 401 of title IV, as contained in the committee print of the legislation under consideration—H. T. Austern, counsel, National Canners Association; John Dodds, vice president, Schuckl & Co., Inc.; H. T. Cumming, president, Curtice Bros. Co.; Fred M. Moss, Idaho Canning Co., Fayette, Ind.; Edwin C. Draus, Big Stone Canning Co.; Louis Ratzesberger, Jr., the Illinois Canning Co.; G. J. Hipke, of A. T. Hipke & Sons, Inc.; and O. E. Snider, general manager, Blue Lake Packers, Inc. Recessed until Monday morning.

MILITARY-NAVAL PUBLIC WORKS

Committee on Armed Services: Officials of the Department of the Air Force returned for further testimony at today's executive session on H. R. 8726, the military-naval public works bill. Under Secretary James Douglas and Maj. Gen. Lee B. Washbourne, Director of Installations, appeared for the third consecutive day. Other witnesses were Col. J. F. Rodenhauser and Col. W. G. Moore, Director of Operations. Committee recessed until Monday morning.

FOREIGN OPERATIONS

Committee on Foreign Affairs: Resumed executive consideration of the foreign operations program—and requests for fiscal year 1955. Meeting with the committee again were Livingston T. Merchant, Assistant Secretary of State for European Affairs; and Maj. Gen. George C. Stewart, U. S. Army, Director of the Office of Military Assistance (Defense Department). Also attending the session was Walter M. Ringer, Regional Director, Office of European Affairs (Foreign Operations Administration), who opened today's meeting by analyzing the economic situation in the European countries in relation to the program. He said that 10 countries—Austria, Belgium-Luxemburg, Denmark, Iceland, Ireland, Italy, Netherlands, Norway, and Portugal—that once received economic aid, will not receive any such aid next year.

In open hearing yesterday, Mr. Merchant spoke in support of the administration's figures in the foreign operations program for fiscal 1955. He emphasized that in contrast to previous years Europe is no longer the area receiving the largest portion of foreign assistance in the proposed program. The total requested for Europe is $943 million, of which $643 million is for military end items. The balance is for special programs, including Spain, Yugoslavia, West Berlin, and United Kingdom air force program. It also provides for an American contribution for NATO facilities and installations such as airfields.

Also yesterday, General Stewart presented a detailed account of the purposes for which Mutual Defense Assistance Program funds have been, and will be, used. He stated that it was his duty to coordinate and supervise the Mutual Defense Assistance Program as developed and implemented by the three services for the Assistant Secretary of Defense for International Security Affairs. Recessed until Monday morning.

UPPER COLORADO PROJECT

Committee on Interior and Insular Affairs: The Harrison subcommittee continued consideration of H. R.

4443, 4449, and 4463, the upper Colorado River project. Took no action and recessed until tomorrow morning.

BASKETS

Committee on Interstate and Foreign Commerce: Concluded public hearings on a bill (H. R. 8357) which would provide for a ⅜ths bushel basket for fruits and vegetables. Final witnesses heard in connection with the proposal were Representatives Barden (North Carolina), author of the bill, Campbell (Florida), Deane (North Carolina), and Ashmore (South Carolina); and Raymond Ramsay, American Packaging Corp., Portsmouth, Va.; Dan Farrell, of Taylor Chemical Co., Aberdeen, N. C.; Theodore C. Curry, representing the Department of Agriculture, and Roy L. Sheridan, the Post Office Department. Recessed on the bill until Tuesday morning when it will be considered in executive session. Monday has been set to hear sponsors of pending legislation.

COPYRIGHTS

Committee on the Judiciary: Subcommittee No. 3 concluded hearings on H. R. 6616 and 6670, to amend title 17 of the U. S. Code, entitled "Copyrights," relating to copyright protection for alien authors. The schedule of witnesses included Walter J. Mason, American Federation of Labor; Barclay Acheson, Reader's Digest; John Schulman, Authors' League of America; Frank Dobie, Authors' League of America; Arthur A. Hauser, Music Publishers' Association, the Music Publishers' Protective Association, and National Music Council; Vincent Wasilewski, National Association of Radio & Television Broadcasters; Douglas M. Black, American Book Publishers' Council; Phillips Temple, American Library Association and Catholic Library Association; James Watt, Christian Science Church and Christian Science Publishing Society; and Arthur Fisher, Register of Copyrights, Library of Congress.

SHIP CONSTRUCTION

Committee on Merchant Marine and Fisheries: Officials and representatives of shipbuilding companies today endorsed the provisions of H. R. 8637, a bill to facilitate private financing of new ship construction by the authorization of Federal mortgage and loan insurance. The witnesses heard were Walter Maloney, president, American Merchant Marine Institute; Rudolph S. Hecht, chairman, Committee of American Steamship Lines; and L. R. Sanford, president, Shipbuilders Council of America. Committee recessed on the proposed bill until April 27.

FEDERAL EMPLOYEES' SALARIES

Committee on Post Office and Civil Service: Representatives of two Federal employee organizations testified today in connection with proposals to increase salaries of Government workers. The witnesses were James A. Campbell, president of the American Federation of Government Employees; and Alfred F. Beiter, president of the National Customs Service Association. Recessed until next Tuesday when officials of the Post Office Department are scheduled to return for further questioning regarding proposed salary increases for postal workers to be effected through reclassification.

RIVERS AND HARBORS

Committee on Public Works: The Angell subcommittee considered the following three Connecticut projects today—Area 2, Hammonasset River to East River; Area 3, New Haven Harbor to Housatonic River; and Area 7, Housatonic River to Ash Creek. Col. J. U. Allen, of the Corps of Engineers, explained the three proposals; and John Baxter, secretary to Representative Morano (Connecticut), filed letters of constituent interest for inclusion in the record.

COLUMBIA BASIN—AGRICULTURE

Committee on Rules: Granted an open rule, providing for an hour of general debate, on H. R. 8377, authorizing appropriation for prosecution of flood-control projects in the Columbia River Basin. Testimony in support of the proposal was presented by Representatives Dondero (Michigan), Angell (Oregon), Mack (Washington), and Machrowicz (Michigan).

Also granted a rule waiving points of order against H. R. 8779, the Agriculture Department's appropriation bill for 1955. Supporting the request were Representatives H. Carl Andersen (Minnesota), Hunter (California), Whitten (Mississippi), Hope (Nebraska), and Horan (Washington).

SPANISH WAR VETERANS

Committee on Veterans' Affairs: The Subcommittee on Spanish War heard testimony today on pending bills from the following witnesses—Representative Weir, of Minnesota; and three officials of the United Spanish War Veterans, as follows: John U. Shroyer, commander in chief; William J. Otjen, chairman, national legislative committee; and Mrs. Hattie B. Trazenfeld, national secretary, Auxiliary.

SOCIAL SECURITY

Committee on Ways and Means: Representatives Ostertag (New York) and Bennett (Florida) were the first witnesses at today's public session on H. R. 7199, to expand coverage and improve the old-age and survivors insurance program. Nelson Cruikshank followed with the statement of George Meany, president of the American Federation of Labor. Other witnesses were DeWitt Emery, president, National Small Business Men's Association; Charles E. Sands, international representative, Hotel and Restaurant Employees and Bartenders International Union; Mrs. Henriette C. Epstein, vice presi-

83d Congress, 2d Session } HOUSE OF REPRESENTATIVES { Report No. 1510

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

April 9, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. H. Carl Andersen, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 8779]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture for the fiscal year 1955. The bill covers all estimates contained in the 1955 Budget, pages 177 through 188 and 322 through 419, and amendments submitted in House Documents Nos. 352 and 357.

The bill includes direct annual appropriations for regular activities of $698,410,313, loan authorizations for the Rural Electrification Administration and the Farmers Home Administration of $320,500,000, an administrative expense authorization for the Commodity Credit Corporation of $18,000,000, an appropriation of $331,500 for special activities, and administrative expense limitations for the Farm Credit Administration of $6,250,000. The amount recommended for the regular activities of the Department is $36,282,126 below funds available for 1954 and loan authorizations proposed are $64,000,000 below authorizations for 1954. The administrative expense limitation proposed for the Commodity Credit Corporation is $1,100,000 below fiscal year 1954 and the administrative expense funds recommended for the Farm Credit Administration are $89,500 over 1954 authorizations.

The following summary sets forth the committee action with respect to the various items in the bill:

Item	Approved 1954	Estimates 1955	Recommended 1955	Bill compared with—	
				1954 approved	1955 estimates
Regular activities	$734, 692, 439	$698, 410, 313	$698, 410, 313	−$36, 282, 126	
Loan authorizations	384, 500, 000	275, 500, 000	320, 500, 000	−64, 000, 000	+$45, 000, 000
Commodity Credit Corporation	19, 100, 000	18, 000, 000	18, 000, 000	−1, 100, 000	
Special activities	130, 439, 500	331, 500	331, 500	−130, 108, 000	
Farm Credit Administration	6, 160, 500	6, 305, 000	6, 250, 000	+89, 500	−55, 000

RESEARCH AND EDUCATION VERSUS ACTION PROGRAMS

The committee had presented to it a Budget which sharply curtailed the so-called "action" programs of the Department and placed strong emphasis on its research and extension activities. Increases totaling $18,182,000 were included for research and extension programs, while decreases of $29,327,634 were proposed for the Forest Service, Soil Conservation Service, Federal Crop Insurance Corporation, Rural Electrification Administration, Farmers Home Administration and the School Lunch Program. In addition, decreases of $3,440,203, were proposed for disease and pest control, and inspection, grading, classing, and standardization of agricultural commodities.

The committee has a long record of support for research and educational programs of the Department of Agriculture. It agrees that these programs must be kept strong and effective to develop new and improved methods of meeting agricultural problems and to encourage wider use of research results on the farms of the nation. A few years ago the committee made a determined and successful effort to increase the funds for the Extension Service by several million dollars. The committee initiated the action which resulted in the adoption of legislation last June removing the appropriation ceiling for the Extension Service. Further, the committee was successful last year in adding $1,700,000 to the research appropriations of the Department.

In the accompanying bill, the committee has gone along with increases for research and extension as far as possible within budgetary limitations. Approximately 30 percent of the increase proposed in the Budget for the State Experiment Stations is included in the bill. Over 45 percent of the increased appropriations recommended for the Extension Service has been approved.

The committee does not agree however with recommendations contained in the 1955 Budget substantially reducing the Federal "action" programs, and has restored some of these cuts. It believes that the Department must continue a level of operation for such programs which will "hold the line" until the additional research and education has provided better answers to the nation's many problems on the farm. The severity of problems resulting from prolonged drought and loss of farm income make it imperative that administrative funds for the Farmers Home Administration be maintained somewhere near existing levels. Due to the need for some central authority to coordinate insect control programs and provide uniform quarantine regulations, the committee believes it inadvisable to sharply curtail these programs. Neither does it agree with the proposed elimination of funds for indemnity payments for the control of tuberculosis and brucellosis of cattle. It is to be noted that no agreements or other arrangements have been made for the States to

take over these insect and disease control programs, even if they could handle them.

Due to the fact that some 40 percent of the crop land of the country has been severely damaged or lost entirely, and an additional 20 percent is at present undergoing severe erosion, the committee does not agree with the cuts proposed in the soil conservation and flood prevention activities of the Department. It also questions the advisability of curtailing programs of the Forest Service having to do with the protection and reforestation of the national forests, and disagrees with the efforts to eliminate the cooperative programs for forest tree planting and management on State and private lands.

BASIS FOR BUDGET REDUCTIONS

The total appropriations included in the bill for the regular activities of the Department are the same as the amount recommended in the 1955 Budget. This is an overall reduction of $36,282,126 below the level of appropriations for the current fiscal year, a cut of nearly 5 percent. The committee has gone along with this reduction, in view of the urgent need to curtail Federal expenditures wherever possible. It believes, however, that this is a rather substantial cut in view of the fact that the appropriations of the Department have been carefully held down through the years. Since 1940, the regular funds of the Department have been reduced by 32 percent, while appropriations for the balance of the Federal civilian departments and agencies have increased 110 percent.

In arriving at final decisions on amounts recommended in the accompanying bill, the committee has taken into consideration testimony from Department of Agriculture witnesses to the effect that many of the reductions proposed in the 1955 Budget were made on an arbitrary and unrealistic basis. Under cross examination, many of these witnesses frankly admitted that they were not in accord with the reductions they were asked to support, since such reductions were the result of the imposition of arbitrary ceilings, rather than the elimination of unessential activities or other administrative savings.

FREEZING OF APPROPRIATIONS

Another development deplored by the committee was the arbitrary action taken last fall to freeze the funds of many of the "action" agencies. This action was taken only a few months after the Department had presented testimony to the committee strongly supporting amounts even in excess of the funds finally approved by Congress for the current fiscal year. Reference is made particularly to the freezing of over $1 million of the funds of the Farmers Home Administration at the expense of essential field activities, which money was eventually turned over to the Extension Service to meet penalty mail costs.

The committee believes that such action is a breach of faith with the Congress and seriously damages confidence and working relationships. It is of the opinion that transfers of funds between agencies should be restricted to the limits allowed by law in the future, unless prior clearance is obtained from appropriate Congressional committees.

The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not agree with impounding of funds where it destroys the intent of Congress as to the size and nature of the programs of such agencies as the Soil Conservation Service, the Farmers Home Administration, the Rural Electrification Administration, the Forest Service, and the pest and disease control activities.

AGRICULTURAL RESEARCH SERVICE

Appropriations, 1954	$78, 734, 723
Estimates, 1955	86, 265, 708
Recommended, 1955	82, 059, 453
Comparison:	
1954 appropriations	+3, 324, 730
1955 estimates	−4, 206, 255

The Agricultural Research Service conducts all of the production and utilization research of the Department (except forestry research), and the inspection, disease and pest control, and eradication work associated with this research. The Administrator of this Service is responsible for the coordination of all research of the Department.

Research.—The committee recommends a total of $33,154,365 for 1955, a reduction from the Budget of $2,198,635 and an increase of $252,000 over appropriations for 1954. This increase provides $50,000 for research on Nematodes, $150,000 for research on irrigation in arid and humid areas, $75,000 for research on cotton utilization, and $15,000 for research on cheese mites. These increases are offset by a reduction of $38,000 for the National Arboretum. While the committee recognizes the importance of the various other items for which increases have been requested in the budget, it believes that such work should be undertaken within funds presently available.

Plant and animal disease and pest control.—The committee recommends a total of $17,461,380 for 1955, a decrease of $459,270 below the 1954 appropriation and an increase of $2,461,380 over the Budget. The decrease includes the following reductions: Citrus blackfly and Mexican fruitfly control, $29,500; Hall scale eradication, $35,200; grasshopper and Mormon cricket control, $19,100; detection and advisory service, $87,600; emergency outbreaks of insects and plant diseases, $200,000; Insecticide, Fungicide, and Rodenticide Act, $76,763; plant quarantine, $86,400; eradicating scabies, $18,547; eradicating cattle ticks, $58,552; control of virus, serums, toxins, etc., $41,808; and administration of the Process Butter Act, $5,800.

Offsetting these decreases, the bill provides an increase of $200,000 for the payment of indemnities under the tuberculosis and brucellosis eradication programs. In view of the seriousness of the threat to the health of the people of the country from these two animal diseases, the committee feels that at least $1,000,000 should be set aside to make certain that adequate funds are available for such indemnity payments next year. It is expected that, because of lower income to dairy farmers, considerable culling of dairy herds should result. This in turn will increase the need for a larger indemnity fund than in previous years because of the probable slaughter of many more reactors than has occurred in the past. This action is not intended to increase the level of payments under the program.

The committee urges the Department to get together with the States at the earliest possible date and work out a satisfactory long-range policy with regard to these control programs. It feels that, if the work is needed and there is definitely a national interest, there should not be any withdrawal of existing Federal support, unless the program can best be carried on by the States. It also feels that satisfactory arrangements must be worked out well in advance with the States, if it is finally decided to withdraw Federal support, and congressional approval should be secured prior to adoption of any final plans.

Meat inspection.—The committee recommends $14,190,000 for this program for 1955, a continuation of the level of operation for 1954. This is a decrease of $135,000 from the Budget. Latest statistics available to the committee indicate a gradual decrease in volume of federally inspected meat instead of an increase as indicated in Department testimony.

Payments to States, Hawaii, Alaska, and Puerto Rico.—The committee recommends a total of $15,453,708 for grants to the State Experiment Stations for 1955. This is a reduction of $4,000,000 below the Budget and an increase over 1954 of $1,732,000. The increase will provide an additional $1,500,000 for production research and $232,000 additional for research on marketing problems.

Foot and mouth and other contagious diseases of animals and poultry.—A budget estimate of $2,134,000 was received on March 26 (H. Doc. No. 357) to permit the Department to initiate research on foot-and-mouth disease in the laboratory on Plum Island, New York. The Chemical Corps of the Department of the Army contemplates transferring all facilities under its control on Plum Island to the Department of Agriculture on July 1, 1954 for such research work. The committee recommends an appropriation for 1955 of $1,800,000 for this purpose.

EXTENSION SERVICE

Appropriations, 1954	$35, 294, 564
Estimates, 1955	43, 600, 000
Recommended, 1955	38, 876, 514
Comparison:	
1954 appropriations	+3, 581, 950
1955 estimates	−4, 723, 486

The function of the Extension Service is to take research results and program facts of the Department of Agriculture and State Agricultural Colleges and Experiment Stations to rural people in a manner that effectively meets the farm and family needs. The Cooperative Extension Service is financed from Federal, State, county and local sources. The funds are used within the States for the employment of county agents, home demonstration agents, 4–H Club agents, state specialists and others who conduct among rural people the joint educational programs of the Department.

Payments to States, Hawaii, Alaska, and Puerto Rico.—The sum of $35,610,279 is recommended for 1955 for payments to State Land-Grant Colleges for extension activities. This is a decrease of $4,064,721 below the budget estimate but an increase of $3,361,950 over funds available for the current fiscal year. The increase provides an additional $3,000,000 for cooperative agricultural extension work and $395,000 for payments to states under the Agricultural Marketing

Act of 1946, offset by a reduction of $33,050 due to absorbing farm housing activities within regular activities.

Federal Extension Service.—The committee recommends $3,266,235 for 1955, an increase of $220,000 over funds available for 1954 and a decrease of $658,765 in the Budget. The increase provides an additional $200,000 to meet penalty mail costs and $20,000 for the employment of two field representatives to represent the Federal Extension Service in relations with Presidents, Deans, and Directors in the Land-Grant Colleges and Universities.

FARMER COOPERATIVE SERVICE

Appropriations, 1954	$408,000
Estimates, 1955	408,000
Recommended, 1955	408,000

The Farmer Cooperative Service, formerly the Cooperative Research and Service Division of the Farm Credit Administration, was transferred to the Department of Agriculture by the Farm Credit Act of 1953. The Service performs research in connection with and renders technical assistance to associations of producers of agricultural products and federations and subsidiaries thereof engaged in the cooperative marketing of agricultural products.

The committee recommends a continuation of the program of this Service at the 1954 level.

FOREST SERVICE

Appropriations, 1954	$78,117,408
Estimates, 1955	71,601,500
Recommended, 1955	72,284,954
Comparison:	
1954 appropriations	−5,832,454
1955 estimates	+683,454

The Forest Service is charged with the responsibility for promoting the conservation and wise use of the country's forest and related watershed lands, which comprise one-third of the total land area of the United States. It engages in four main lines of work: (1) management, protection, and development of the National Forests, (2) cooperation with States and private forest landowners in connection with fire protection, forest tree planting, and forest management, (3) forest and range research, and (4) control of forest pests.

Salaries and expenses.—A total of $47,103,264 is recommended for 1955, including $30,132,700 for protection and management of the National Forests, $6,000,000 for fighting forest fires, $4,800,000 for control of forest pests, and $6,170,564 for forest research. This amount is $5,757,454 below the 1954 appropriations and $624,764 over the Budget.

Of the reductions of $2,026,700 proposed in the Budget for protection and management activities, the committee has agreed to cuts totaling $829,000. This includes reductions for the following items: maintenance of improvements, $150,000; personnel reductions and consolidations of certain National Forests and ranger districts, $212,300; development of land utilization projects, $513,000; reforestation, $20,000; range revegetation, $65,000; and acceleration of flood prevention measures, $88,400.

Offsetting these reductions, the committee has inserted an additional $219,700 to meet the urgent need for increased timber sales.

The committee feels that these funds should be used partially to strengthen the timber sales staff by bringing in persons with background in the promotion of timber sales and the handling of the business aspects of such sales. It is the committee's opinion that the Federal Government is not getting as good prices for its timber as it could with a stronger sales staff.

Decreases totaling $486,354 are recommended for control of forest pests as follows: Leadership, coordination, and technical direction of white-pine blister rust control, $60,000; white-pine blister rust control on National Forests, $176,354, and on Interior Department lands, $100,000; and forest pest control, $150,000.

The increase of $57,900 recommended for research includes an additional $100,000 for forest genetics investigations, an additional $20,000 for research to improve methods of marketing farm forest products, offset by a decrease of $62,100 for research on forest insects.

The elimination of language restricting research outside the United States has been approved as recommended in the Budget. The committee wishes to be consulted in advance, however, relative to proposals to engage in such work in any foreign country other than Canada.

Forest roads and trails.—The 1954 appropriation of $14,498,000 is recommended for 1955. This is a decrease of $1,502,000 below the Budget. The amount recommended includes $7,500,000 for bridge replacement and construction of roads and trails in Washington and Oregon and other areas where there is an urgent need to salvage timber due to serious insect epidemics. While these funds were justified primarily for the Washington-Oregon area, it is not the intention of the committee to restrict their use to this region, where serious epidemics in other areas warrant the use of a portion of the funds.

Acquisition of lands for national forests.—The committee recommends the restoration of the full appropriation of $75,000 for acquisition of lands under the Weeks Act, together with restoration of $10,000 for acquisition of lands from National Forests receipts in the Cache National Forest in Utah.

State and private forestry cooperation.—An appropriation of $10,608,690 is recommended for 1955, a decrease of $75,000 below the appropriation for 1954 and an increase of $1,485,690 above the Budget. This amount will permit full restoration of the proposed cuts for forest tree planting and forest management and processing, and will restore all but $75,000 of the budget reduction for forest fire control.

Cooperative range improvements.—The budget estimate of $281,000 is recommended for 1955, a decrease of $250,000 below 1954. This item represents the appropriation of a portion of the grazing fees from the National Forests received during 1953, for the purpose of protecting and improving the productivity of the ranges. The funds are used primarily for construction and maintenance of fences, stock-watering facilities, bridges, corrals, and driveways.

SOIL CONSERVATION SERVICE

Appropriations, 1954	$71,486,279
Estimates, 1955	66,117,000
Recommended, 1955	70,627,671
Comparison:	
1954 appropriations	−858,608
1955 estimates	+4,510,671

The Soil Conservation Service assists soil conservation districts and other cooperators in providing technical aid to farmers and ranchers in bringing about physical adjustments in land use that will conserve soil and water resources, provide economic production on a sustained basis, and reduce damages by floods and sedimentation. The Service also developes and carries out special drainage, irrigation, flood prevention, and watershed protection programs in cooperation with soil conservation districts, watershed groups, and other Federal and State agencies having related responsibilities.

Conservation operations.—The committee recommends an appropriation of $58,165,671 for 1955, a reduction of $653,608 below the 1954 appropriation but an increase of $3,267,671 in the budget estimate. The committee does not agree with the proposed reduction in the number of area field offices and has restored $1,077,671 to provide for continuation of the present offices. In addition, it has added $2,190,000 to permit staffing of the 76 new districts which are being established in the fiscal year 1954 and the 67 districts which are expected to come into existence during the 1955 fiscal year. The committee expects the Secretary to follow the action of Congress in this recommendation.

In accordance with the plan adopted last year for a substantial reduction in the soil conservation nursery program, the Department will have turned over to States or local agencies all but nine of its original 24 nurseries by the end of the current fiscal year. Of the nine nurseries which are being retained under Federal control to serve as permanent experimental stations in the various areas of the country, five will be operated by non-Federal cooperating agencies where satisfactory working agreements have been worked out. The remaining four will continue to be operated as research and observational facilities by the Department.

Funds for necessary information service at the national level and in the field to assist State offices shall be available from this appropriation.

Watershed protection.—The budget estimate of $5,000,000 is recommended again for 1955 to permit the continuation of this "pilot plant" program initiated last year. The present program includes some 65 small upstream watersheds in nearly every State in the Union. The total estimated cost at time of completion is $28,706,000. The unanimous approval by the Congress this year of further legislation on this subject indicates the wide-spread support for this essential work.

Flood prevention.—The committee recommends $6,982,000 for 1955, the full appropriation authorized for 1954. This amount will permit the continuation of works of improvement at slightly in excess of the 1954 level, in view of the decrease proposed in survey work. The committee agrees with the budget increase included for general basin investigations work in the Arkansas-White-Red and New England-New York areas.

The flood prevention work in the eleven authorized watersheds consists of the installation of measures primarily for flood prevention financed from this appropriation, together with acceleration of the application of complementary conservation land treatement and forestry measures contributing to flood prevention financed from other appropriations of the Department, principally from the Conservation Operations appropriation of the Soil Conservation Service. The latter

funds are available for such additional technical assistance to soil conservation districts, landowners and operators, and related materials and land treatment work as is necessary for maximum flood prevention progress in these watersheds.

Water conservation and utilization projects.—The budget estimate of $480,000 is recommended for 1955, a reduction of $205,000 below the appropriation for 1954. This reduction is made possible by the completion of the two Buffalo Rapids projects in Montana and the Buford-Trenton project in North Dakota, and by a reduction in level of operations on the Angostura project in South Dakota and the Eden Valley project in Wyoming. It is estimated that this entire program will be completed by the end of the fiscal year 1957.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Appropriation, 1954	$211, 982, 000
Estimate, 1955	195, 000, 000
Recommended, 1955	191, 700, 000
Comparison:	
1954 appropriation	−20, 282, 000
1954 estimate	−3, 300, 000

The purpose of this program is to (1) restore and improve soil fertility, (2) reduce erosion caused by wind and water, and (3) conserve water on land. To effectuate these purposes, the Agricultural Conservation Program offers cost-sharing assistance to individual farmers and ranchers in all of the 48 states, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for carrying out approved soil-building and soil and water conserving practices on their farms.

The committee recommends the sum of $191,700,000 for 1955, which is $20,282,000 below 1954 and $3,300,000 below the budget estimate. This reduction, which is based on testimony indicating that there will be an unobligated balance of 3.3 million dollars at the end of the program year, will have no effect on the ability of the Department to meet its commitments made in connection with the program announced for the 1954 crop year.

An advance authorization of $250,000,000 for the 1955 crop year is approved, as recommended in the budget estimate submitted in House Document No. 352. The language in the accompanying bill provides that $55,000,000 of this amount shall be placed in reserve until the Congress has adopted a program relative to the use of lands diverted from production.

The committee recognizes the urgent need for the adoption of a program designed to remove acreage from crop production and place these acres in a soil conserving reserve status. This will not only be an effective means of reducing further accumulations of commodity surpluses, but will also contribute to a balanced program of farming needed to assure a productive agriculture which, in the near future, will be called upon to meet the increased food requirements of a population growing at the rate of 2.6 million each year.

The committee realizes the importance of establishing good soil conserving practices on land taken out of production under such a diverted acreage program, and believes that special attention should be given to these problems under the Agricultural Conservation Program. It feels strongly that, in the interests of economy and good soil conservation, the sum of $55 million is entirely inadequate to do the job. It has included no more than this amount—the budget

estimate—since a program must be finally determined before the amount of funds needed for the diverted acreage program can be ascertained. When the final program is developed, the amount provided, $55 million, will have to be supplemented.

AGRICULTURE MARKETING SERVICE

Appropriations, 1954	$105, 042, 955
Estimates, 1955	90, 800, 155
Recommended, 1955	98, 590, 371
Comparison:	
1954 appropriation	−6, 452, 584
1955 estimate	+7, 790, 216

The Agricultural Marketing Service is organized to aid in advancing the orderly and efficient marketing and the effective distribution of products from the Nation's farms. The marketing and distribution functions of the Department, which are centered in this Service, include research and development of agricultural marketing and distribution; analyses relating to farm prices, income and population, and demand for farm products; crop and livestock estimates and related statistical and economic research; market news service; standardization, inspection, grading and classing of farm products; freight rate assistance; marketing and regulatory acts (including marketing agreements and orders); cooperative programs in marketing; the National School Lunch program; surplus removal programs under section 32 of the Agricultural Adjustment Act; food trade activities; and other assigned responsibilities related to agricultural marketing and distribution.

Marketing research and service.—A total of $20,564,300 is recommended for 1955, an increase of $99,047 over 1954 and a decrease of $894,200 below the Budget. The increase of $398,600 recommended for marketing research and agricultural estimates includes $223,600 for development of new markets, $75,000 for development of estimates of farm production expenditures and net farm income, and $100,000 for crop and livestock estimates. The reduction of $299,553 for marketing services includes all decreases recommended in the Budget, with the exception of $220,000 for inspection services for fresh fruit and vegetables, which has been reinstated. This is a voluntary inspection service to stimulate good shipping and marketing practices and the committee does not feel that the appropriation cut and increase in inspection fees is warranted.

In view of the wide variation in percentage of inspection costs recovered from fees for the various agricultural commodities, the committee strongly urges the House Committee on Agriculture to consider recommending new legislation designed to develop a more uniform policy as to assessing fees for such inspection service.

Payments to States, Territories, and possessions.—The 1954 appropriation of $573,000 is recommended for 1955. The reduction of $327,000 below the budget estimate is proposed because of the increases allowed elsewhere in the bill for marketing research.

Repayment to Commodity Credit Corporation.—The budget estimate of $441,655, a reduction of $326,850 below the current year's appropriation, is provided to reimburse the Commodity Credit Corporation for costs incurred for inspecting and grading tobacco under the Tobacco Inspection Act of 1935 and for classing cotton under the

Smith-Doxey Act of 1937. This reimbursable arrangement was established several years ago when it became apparent that it was less costly to finance these services through Commodity Credit Corporation funds than to establish full-time, year-round offices under regular appropriations. The amount recommended represents a reimbursement for costs incurred during the fiscal year 1953.

The budget for the USDA for tobacco grading and related demonstration activities, which are of substantial assistance to farmers in preparing their tobacco for market, would eliminate practically all demonstration work in fiscal year 1955 as well as continue current per diem practices which force tobacco inspectors to cover their own living costs in cases where they are away from their official stations more than 60 days. The committee feels that adequate demonstration activities should be continued and that some correction should be made in the per diem practices in the interest of maintaining the grading work which is so important to the marketing of all tobacco as well as the administration of the tobacco price-support program.

Since the section on "Marketing Services" in the Appropriation Act for 1952 (Public Law 135, 82d Cong., Aug. 31, 1951) authorizes supplemental advances from the Commodity Credit Corporation to meet tobacco grading costs, a change in the appropriation bill is not necessary to provide the additional funds needed for the activities indicated above, which are an integral part of the grading work, and which the committee expects will be covered by the authorized advances.

School-lunch program.—The committee recommends a total appropriation of $77,011,416, an increase of $9,011,416 over the budget and a decrease of $6,224,781 below the 1954 appropriation.

The Budget recommends the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act, for which $15,000,000 was appropriated in 1954. The committee disagrees with the Budget and recommends the restoration of $9,011,416 for this purpose in 1955, the maximum amount possible within the overall budget total.

The purchase of foods under section 6 has helped schools meet nutritional requirements and provide a balanced diet. While there has been an increase in the amount of surplus commodities acquired for school-lunch programs with section 32 funds, a great many such commodities are not identical in kind or in nutritional characteristics with those purchased under section 6. In order to meet nutritional requirements and provide a balanced diet there is still a vital need for section 6 purchases, particularly fruits and vegetables.

Furthermore, section 6 purchases have been comprised for the most part of commodities which have sought to solve their production problems without the aid of Federal price support programs.

FOREIGN AGRICULTURAL SERVICE

Appropriation, 1954	$840, 900
Estimate, 1955	965, 000
Recommended, 1955	965, 000
Comparison: 1954 appropriation	+124, 100

The Foreign Agricultural Service administers the foreign agricultural programs of the Department and develops plans and policies related to the administration of the foreign affairs and interests of

United States Agriculture. The primary objectives of the Service are to develop foreign markets and encourage foreign trade, and administer import controls on designated agricultural commodities.

Under the present domestic situation in which American agriculture finds itself, the committee has looked with favor on the obvious accent on all phases of marketing in the Department's budget. Within the boundaries which the present debt limit imposes, it has tried to allow amounts that have been programed and budgeted in that direction. It is recognized that foods, fibers, and forage in storage now and those to be produced this year must be moved. They must be consumed either here at home, or abroad.

In connection with the latter alternative, the committee recognizes the healthy emphasis on foreign trade for Agriculture that the reorganization of the Department has provided and, therefore, has allowed the full budget estimate for 1955. Moreover, the committee feels that "section 32" funds should be utilized to the maximum for removal of surplus stocks and the regaining and maintenance of historical foreign markets at this time.

If the new-born Foreign Agricultural Service is to thrive and succeed every encouragement must be given to present planning for that Service's usefulness and the training of new men for an effective service.

COMMODITY EXCHANGE AUTHORITY

Appropriation, 1954	$692, 273
Estimates, 1955	673, 000
Recommended, 1955	673, 000
Comparison: 1954 appropriation	−19, 273

The major objectives of this organization are to prevent commodity price manipulation and corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges on contract markets to cooperative associations or producers; insure trust-fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The decrease recommended in the bill for 1955 will be absorbed by deferring the institution of certain special reports and by not putting into effect certain controls previously proposed.

COMMODITY STABILIZATION SERVICE

Appropriations, 1954	$103, 920, 287
Estimates, 1955	102, 100, 000
Recommended, 1955	99, 600, 000
Comparison:	
1954 appropriations	−4, 320, 287
1955 estimates	−2, 500, 000

The Commodity Stabilization Service has responsibility for the Commodity Credit Corporation, acreage allotments and marketing quotas, the Sugar Act, the International Wheat Agreement, the ASC State and county offices, procurement of commodities under section 32

of the Agricultural Adjustment Act and section 6 of the National School Lunch Act, and various related activities.

Agricultural adjustment programs.—The committee recommends $40,000,000 for 1955, which is $4,312,000 below the 1954 appropriation and $2,500,000 below the budget estimate. In view of indications that fewer farmers will participate in the acreage-control programs next year, the committee feels that the funds provided are adequate.

The budget proposal to eliminate language relating to providing advice and assistance to selective service authorities has been agreed to. It should be clearly understood, however, that this action in no way affects the authority of National, State, and county committee officials to perform this service wherever necessary.

Sugar Act.—The budget estimate of $59,600,000 is recommended for 1955. These funds, which are expended under the Sugar Act of 1948, are used to establish consumption requirements, administer quotas and make payments to domestic producers of cane and beet sugar who meet specified conditions. Funds provided for this purpose are based entirely on projected production estimates. From the inception of the program in 1938 through the fiscal year 1953, collections of excise and import taxes under this program have exceeded expenditures by $269,173,947.

FEDERAL CROP INSURANCE CORPORATION

Appropriation, 1954	$7, 450, 000
Estimate, 1955	5, 700, 000
Recommended, 1955	5, 700, 000
Comparison: 1954 appropriation	−1, 750, 000

The Federal Crop Insurance Corporation was created to furnish protection for the farmer's investment in producing crops against loss from unavoidable causes. The program provides farmers with a measure of financial security against production risks which cause unavoidable loss from such causes as drought, flood, hail, wind, frost, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, and plant disease.

The budget estimate of $5,700,000 is recommended for 1955, a reduction of $1,750,000 below the funds provided for the current fiscal year. This budget reduction has been proposed on the basis of two factors: (1) no additional counties will be added to the program in 1955, and (2) the cost of crop inspections and loss adjustments will be transferred to premium income during the fiscal year 1955 for the first time.

In view of the fact that the program has not expanded as fully as expected, there is some possibility that the increase in premiums due to this change in policy will reduce coverage and further hurt chances of success of the program. The committee is agreeing to the proposed change for 1955 in order to give officials of the Department an opportunity to operate on the new basis. However, it will watch developments closely before agreeing to such a change on a permanent basis.

The committee has not agreed to the proposal to charge a portion of the cost of contract sales to premium income. It feels that all field employees of the Department should help in the promotion of this program and in the writing of insurance contracts in connection with their regular duties.

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

Authorizations, 1954	$202, 500, 000
Estimates, 1955	130, 000, 000
Recommended, 1955	175, 000, 000
Comparison:	
1954 authorizations	−27, 500, 000
1955 estimates	+45, 000, 000

Salaries and expenses

Appropriation, 1954	7, 554, 250
Estimate, 1955	7, 085, 000
Recommended, 1955	7, 285, 000
Comparison:	
1954 appropriation	−269, 250
1955 estimate	+200, 000

The Rural Electrification Administration conducts two major lending programs: (1) The rural electrification program to provide electric service to farms and other rural establishments; and (2) the rural telephone program to furnish and improve telephone service in rural areas. Loans for construction of electric and telephone facilities are self-liquidating within a period not to exceed 35 years, with interest at 2 percent.

The committee recommends $100,000,000 for electrification loans for 1955, a decrease of $35,000,000 below the current year and an increase of $45,000,000 over the Budget. This amount, together with an estimated carryover of $45,000,000, probable recisions of $5,000,000, and a contingency fund of $35,000,000, will make a total of $185,000,000 available for electrification loans during the coming year.

The budget estimate of $75,000,000, an increase of $7,500,000 over 1954, is recommended for the telephone program for 1955. The rapid increase in telephone applications being received requires additional funds over the current level, if this program is not to be unduly restricted.

The committee feels that adequate funds should be made available each year to meet bona fide applications. These amounts are provided in the form of authorizations to borrow from the Treasury, rather than as direct appropriations, and therefore are merely ceilings on amounts which may be drawn from the Treasury at such time as loans are approved. Since unused loan authority has no effect on the national debt, and since amounts borrowed are eventually repaid to the Treasury with interest, it is believed to be wise policy to provide borrowing ceilings which are high enough to meet all legitimate loan needs.

For salaries and expenses, the committee recommends $7,285,000, an increase of $200,000 in the budget estimate and a decrease of $269,250 below 1954. The additional funds are provided to handle the recommended increase for loan authorization relative to the electrification program, and to expedite the handling of the large backlog of loan applications on hand.

The committee has had reported to it many instances where private power sources are placing more and more restrictions on the activities of REA cooperatives as a condition to negotiating contracts to supply the necessary power. Many times contracts offered by the private

power companies are on a year-to-year basis. In the opinion of the committee, REA cooperatives are entitled to a firm source of power at reasonable rates and on a dependable basis, with the full right to operate on a basis which will render maximum service to eligible consumers. The committee feels that the administrator's authority to provide loans for power generation should be fully utilized, if necessary, in order to assure adequate power to REA cooperatives on a reasonable basis.

FARMERS HOME ADMINISTRATION

Loan authorizations

Authorizations, 1954	$182, 000, 000
Estimates, 1955	145, 500, 000
Recommended, 1955	145, 500, 000
Comparison: 1954 authorizations	−36, 500, 000

Salaries and expenses

Appropriation, 1954	$26, 737, 000
Estimate, 1955	22, 250, 000
Recommended, 1955	23, 750, 000
Comparison:	
1954 appropriation	−2, 987, 000
1955 estimate	+1, 500, 000

The Farmers Home Administration performs the following activities: (1) It makes direct farm ownership loans to farm tenants, farm laborers, sharecroppers, and other individuals, for the purchase, enlargement or development of family size farms; (2) It insures 40-year farmer ownership loans made by private lenders up to 90 percent of the normal value of the farm and necessary improvements; (3) It makes production and subsistence loans to farmers and stockmen for farm operating expenses and other farm needs, including the refinancing of indebtedness and family subsistence; (4) It makes loans for the construction, repair, or improvement of water facilities in the arid or semi-arid of the 17 Western States; and (5) It makes emergency loans to farmers and stockmen in designated areas where a disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

The loan authorization recommended for 1954 includes $19,000,000 for farm ownership loans, $120,000,000 for production and subsistence loans, and $6,500,000 for water facilities loans. This is a decrease of $36,500,000 below funds available for 1954, $16,500,000 of which is for farm housing loans for which basic legislation expires June 30, 1954, and $20,000,000 of which is a special fund for production and subsistence loan funds made available last year in connection with the emergency drought relief authorization included in Public Law 175. If further needs for these two programs develop at a later date, it will be necessary to handle them as supplemental requirements.

The increase of $1,500,000 for salaries and expenses has been added to assure adequate personnel in State and county offices to provide needed assistance to the borrowers and to maintain adequate protection of the Government's investment of around $750 million in this program. The committee has been impressed with the record of the Farmers Home Administration in assisting needy farm families to become established in enterprises that are economic and sound, and feels

that its success is due to the fact that it has actively supervised the loans it has made. The making of loans to properly safeguard the borrower's interest and the security of the Government demands careful scrutiny, good judgment and a complete understanding of farm and home management.

The Congress has over the years approved the supervised lending program of this agency, and the committee feels that adequate personnel of the State and county level concerned with the supervisory aspects of the agency's programs must be maintained. The committee is concerned with the proposal that the number of district supervisors be lowered. It is felt that the employment of personnel with training and knowledge of market values, farm and home practices and good judgment will protect the interests of the Government, lead to sound economic loans, and encourage better farm family living. This is particularly true in a period of declining farm prices and small operating margins for the agricultural producer.

Testimony received during committee hearings indicates that it is proposed to utilize the home demonstration agents of the Extension Service to perform the functions which have been provided by home supervisors of FHA. The committee feels that this is not a practical proposal, since the type of people served by the Extension Service are not the same as those which utilize the facilities of the Farmers Home Administration, the objectives of the two programs are not the same, and the training and background of the personnel of the two agencies is not the same. The committee also feels that an adequate number of appraisers must be maintained to make certain that the program is operated on a sound basis. In this connection it should be pointed out that a loan program of this type, which has such an outstanding repayment record, is far more desirable and less costly to the taxpayer that an outright relief program which would be the only alternative.

OFFICE OF THE SOLICITOR

Appropriation, 1954	$2, 311, 000
Estimate, 1955	2, 098, 000
Recommended, 1955	2, 000, 000
Comparison:	
1954 appropriation	−311, 000
1955 estimate	−98, 000

The Solicitor's Office is the official law office of the Department of Agriculture and, as such, performs all of the legal work arising from the activities of the Department.

The reductions recommended for this office can be accomplished by the utilization of lower grade personnel for more of the routine work. This should enable the Office to operate with fewer but better paid lawyers.

OFFICE OF THE SECRETARY

Appropriation, 1954	$2, 188, 000
Estimate, 1955	2, 119, 000
Recommended, 1955	2, 050, 000
Comparison:	
1954 appropriation	−138, 000
1955 estimate	−69, 000

This appropriation includes funds for the immediate office of the Secretary, the Office of Personnel, the Office of Budget and Finance, the Office of Plant and Operations, and the Office of Hearing Examiners.

The committee feels that further administrative savings in all of the various offices included in this appropriation item will make possible the reductions recommended.

OFFICE OF INFORMATION

Appropriation, 1954	$1,251,000
Estimate, 1955	968,000
Recommended, 1955	1,180,400
Comparison:	
1954 appropriation	−70,600
1955 estimate	+212,400

The Office of Information has general direction and supervision over all publications and other information policies and activities of the Department, including the editorial work, illustrating, printing, and distribution of publications, clearance and release of press, radio, and magazine materials, and the preparation and distribution of exhibits and motion pictures.

The increase over the Budget results from the reinstatement of $228,000 for the Yearbook of Agriculture and the denial of the proposed increase of $15,600 for additional work on preparation and distribution of agricultural information by television. The committee feels that the continuation of the Agriculture Yearbook is equally as important as placing increased emphasis on research and educational activities of the Department. The Agricultural Yearbook is one of the principal means of making the findings of the research programs available to agricultural producers.

The committee understands that the proposed Yearbook for 1955 will deal with the subject "Soil and Water Management." In view of the urgent need for more intensive soil conservation and watershed protection work throughout the Nation, a publication on this subject should make a very valuable contribution to the future prosperity and welfare of the country.

LIBRARY

Appropriation, 1954	$681,800
Estimate, 1955	659,950
Recommended, 1955	659,950
Comparison: 1954 appropriation	−21,850

The Library of the Department of Agriculture procures and preserves all printed information concerning agriculture. By law and by cooperative agreement with the Library of Congress, this library serves as the National Agricultural Library of the country.

The reduction proposed for this activity will be met by reductions in the number of publications procured, the number of volumes to be bound, the lending and reference service, and the administrative services function.

PERMANENT AUTHORIZATIONS

Agency and item	Authorizations, 1954	Estimates, 1955	Increase or decrease
Forest Service:			
Expenses and refunds, brush disposal	$2, 600, 000	$2, 600, 000	
Forest-fire prevention	25, 000	35, 000	+$10, 000
Payments to Minnesota, national forests fund	45, 332	45, 332	
Payments to counties, submarginal land program	437, 500	362, 500	−75, 000
Payments to school funds, Arizona and New Mexico	122, 755	122, 755	
Payments to States and Territories, national forests fund	18, 649, 794	18, 800, 000	+150, 206
Roads and trails for States, national forests fund	7, 460, 971	7, 520, 000	+59, 029
Total, Forest Service	29, 341, 352	29, 485, 587	+144, 235
Agricultural Marketing Service:			
Perishable Agricultural Commodities Act fund	410, 000	410, 000	
Removal of surplus agricultural commodities	169, 954, 002	180, 000, 000	+10, 045, 998
Total, Agricultural Marketing Service	170, 364, 002	180, 410, 000	+10, 045, 998
Total, permanent appropriations	199, 705, 354	209, 895, 587	+10, 190, 233

LOAN AUTHORIZATIONS

(TITLE I)

Agency and Item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 authorizations	1955 estimates
Rural Electrification Administration:					
Electrification	$135, 000, 000	$55, 000, 000	$100, 000, 000	−$35, 000, 000	+$45, 000, 000
Telephone	67, 500, 000	75, 000, 000	75, 000, 000	+7, 500, 000	
Total, Rural Electrification Administration	202, 500, 000	130, 000, 000	175, 000, 000	−27, 500, 000	+45, 000, 000
Farmers' Home Administration:					
Farm ownership and housing	35, 500, 000	19, 000, 000	19, 000, 000	−16, 500, 000	
Production and subsistence	140, 000, 000	120, 000, 000	120, 000, 000	−20, 000, 000	
Water facilities	6, 500, 000	6, 500, 000	6, 500, 000		
Total, Farmers' Home Administration	182, 000, 000	145, 500, 000	145, 500, 000	−36, 500, 000	
Total, loan authorizations	384, 500, 000	275, 500, 000	320, 500, 000	−64, 000, 000	+45, 000, 000

CORPORATE ADMINISTRATIVE EXPENSE LIMITATIONS

(TITLE II)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 authorizations	1955 estimates
Commodity Credit Corporation	[1] $19, 100, 000	$18, 000, 000	$18, 000, 000	−$1, 100, 000	

[1] Includes $2,000,000 contained in the Third Supplemental, 1954.

SPECIAL ACTIVITIES

(TITLE III)

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Research on strategic and critical agricultural materials	$439, 500	$331, 500	$331, 500	−$108, 000	
Disaster loan revolving fund	130, 000, 000			−130, 000, 000	
Total, special activities	130, 439, 500	331, 500	331, 500	−130, 108, 000	

FARM CREDIT ADMINISTRATION

(TITLE IV)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Farm Credit Administration	[2] $2,255,500	$2,375,000	$2,320,000	+$64,500	−$55,000
Federal Farm Mortgage Corporation	750,000	650,000	650,000	−100,000	
Federal intermediate credit banks	1,690,000	1,740,000	1,740,000	+50,000	
Production credit corporations	1,465,000	1,540,000	1,540,000	+75,000	
Total, Farm Credit Administration	6,160,500	6,305,000	6,250,000	+89,500	−55,000

[2] Includes $120,000 contained in the Third Supplemental, 1954.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1954, ESTIMATES FOR 1955, AND AMOUNTS RECOMMENDED IN THE BILL FOR 1955

TITLE I—REGULAR ACTIVITIES

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Agricultural Research Service:					
Salaries and expenses:					
Research	$32, 902, 365	$35, 353, 000	$33, 154, 365	+$252, 000	−$2, 198, 635
Plant and animal disease and pest control	17, 920, 650	15, 000, 000	17, 461, 380	−459, 270	+2, 461, 380
Meat inspection	14, 190, 000	14, 325, 000	14, 190, 000		−135, 000
Total salaries and expenses	65, 013, 015	64, 678, 000	64, 805, 745	−207, 270	+127, 745
Payments to States, etc	13, 721, 708	19, 453, 708	15, 453, 708	+1, 732, 000	−4, 000, 000
Foot-and-mouth and other contagious diseases		2, 134, 000	1, 800, 000	+1, 800, 000	−334, 000
Total, Agricultural Research Service	78, 734, 723	86, 265, 708	82, 059, 453	+3, 324, 730	−4, 206, 255
Extension Service:					
Payments to States, etc	32, 248, 329	39, 675, 000	35, 610, 279	+3, 361, 950	−4, 064, 721
Federal Extension Service	3, 046, 235	3, 925, 000	3, 266, 235	+220, 000	−658, 765
Total, Extension Service	35, 294, 564	43, 600, 000	38, 876, 514	+3, 581, 950	−4, 723, 486
Farmer Cooperative Service	408, 000	408, 000	408, 000		

Forest Service:					
Salaries and expenses:					
National forest protection and management	30, 961, 700	28, 935, 000	30, 132, 700	−829, 000	+1, 197, 700
Fighting forest fires	[3] 10, 500, 000	6, 000, 000	6, 000, 000	−4, 500, 000	----------
Control of forest pests	5, 286, 354	5, 015, 000	4, 800, 000	−486, 354	−215, 000
Forest research	6, 112, 664	6, 528, 500	6, 170, 564	+57, 900	−357, 936
Total, Salaries and expenses	52, 860, 718	46, 478, 500	47, 103, 264	−5, 757, 454	+624, 764
Forest roads and trails	14, 498, 000	16, 000, 000	14, 498, 000	----------	−1, 502, 000
Acquisition of land:					
Weeks Act	75, 000	----------	75, 000	----------	+75, 000
Special acts	----------	----------	(10, 000)	(+10, 000)	(+10, 000)
State and private forestry cooperation	10, 683, 690	9, 123, 000	10, 608, 690	−75, 000	+1, 485, 690
Cooperative range improvements	(531, 000)	(281, 000)	(281, 000)	(−250, 000)	----------
Total, Forest Service	78, 117, 408	71, 601, 500	72, 284, 954	−5, 832, 454	+683, 454
Soil Conservation Service:					
Conservation operations	58, 819, 279	54, 898, 000	58, 165, 671	−653, 608	+3, 267, 671
Watershed protection	5, 000, 000	5, 000, 000	5, 000, 000	----------	----------
Flood prevention	6, 982, 000	5, 739, 000	6, 982, 000	----------	+1, 243, 000
Water conservation and utilization projects	685, 000	480, 000	480, 000	−205, 000	----------
Total, Soil Conservation Service	71, 486, 279	66, 117, 000	70, 627, 671	−858, 608	+4, 510, 671

[3] Includes $4,500,000 contained in the Third Supplemental, 1954.

Comparative statement of appropriations for 1954, estimates for 1955, and amounts recommended in the bill for 1955—Con.

Agency and item	Appropriations, 1954	Estimates, 1955	Recommended in bill for 1955	Bill compared with—	
				1954 appropriations	1955 estimates
Agricultural conservation program	$211, 982, 000	$195, 000, 000	$191, 700, 000	−$20, 282, 000	−$3, 300, 000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research and agricultural estimates	8, 702, 200	10, 215, 000	9, 100, 800	+398, 600	−1, 114, 200
Marketing services	11, 763, 053	11, 243, 500	11, 463, 500	−299, 553	+220, 000
Total, marketing research and service	20, 465, 253	21, 458, 500	20, 564, 300	+99, 047	−894, 200
Payments to States, etc	573, 000	900, 000	573, 000		−327, 000
Repayment to Commodity Credit Corporation	768, 505	441, 655	441, 655	−326, 850	
School lunch	83, 236, 197	68, 000, 000	77, 011, 416	−6, 224, 781	+9, 011, 416
Total, Agricultural Marketing Service	105, 042, 955	90, 800, 155	98, 590, 371	−6, 452, 584	+7, 790, 216
Foreign Agricultural Service	840, 900	965, 000	965, 000	+124, 100	
Commodity Exchange Authority	692, 273	673, 000	673, 000	−19, 273	
Commodity Stabilization Service:					
Agricultural adjustment programs	44, 312, 000	42, 500, 000	40, 000, 000	−4, 312, 000	−2, 500, 000
Sugar Act	59, 608, 287	59, 600, 000	59, 600, 000	−8, 287	
Total, Commodity Stabilization Service	103, 920, 287	102, 100, 000	99, 600, 000	−4, 320, 287	−2, 500, 000

Federal Crop Insurance, salaries and expenses	7, 450, 000	5, 700, 000	5, 700, 000	−1, 750, 000	----------
Rural Electrification Administration, salaries and expenses	7, 554, 250	7, 085, 000	7, 285, 000	−269, 250	+200, 000
Farmers' Home Administration: Salaries and expenses	26, 737, 000	22, 250, 000	23, 750, 000	−2, 987, 000	+1, 500, 000
Office of Solicitor	2, 311, 000	2, 098, 000	2, 000, 000	−311, 000	−98, 000
Office of Secretary	2, 188, 000	2, 119, 000	2, 050, 000	−138, 000	−69, 000
Office of Information	1, 251, 000	968, 000	1, 180, 400	−70, 600	+212, 400
Library	681, 800	659, 950	659, 950	−21, 850	----------
Total, regular activities	734, 692, 439	698, 410, 313	698, 410, 313	−36, 282, 126	----------

○

Union Calendar No. 551

83D CONGRESS
2D SESSION

H. R. 8779

[Report No. 1510]

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 1954

Mr. H. CARL ANDERSEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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A BILL

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural re-
6 search relating to production and utilization, to control and
7 eradicate insect pests and plant and animal diseases, and to
8 perform related inspection, quarantine and regulatory work,
9 and meat inspection: *Provided,* That not to exceed $15,000
10 of the appropriations hereunder shall be available for em-
11 ployment pursuant to the second sentence of section 706 (a)
12 of the Organic Act of 1944 (5 U. S. C. 574), as amended
13 by section 15 of the Act of August 2, 1946 (5 U. S. C.
14 55a): *Provided further,* That appropriations hereunder
15 shall be available for the operation and maintenance of air-
16 craft and the purchase (for emergency replacement only)
17 of not to exceed one, and the construction, alteration, and
18 repair of buildings and improvements, but unless otherwise
19 provided, the cost of constructing any one building (except
20 headhouses connecting greenhouses) shall not exceed
21 $7,500 and the cost of altering any one building during the
22 fiscal year shall not exceed $3,750 or two per centum of
23 the cost of the building, whichever is greater:

24 Research: For research and demonstrations on the pro-
25 duction and utilization of agricultural products, and related

1 research and services, including administration of payments
2 to State Agricultural Experiment Stations; $33,154,365, of
3 which not to exceed $20,000 shall be available for the con-
4 struction of an office and a laboratory building at the South-
5 eastern Tidewater Field Station, Fleming, Georgia.

6 Plant and animal disease and pest control: For opera-
7 tions and measures to control and eradicate insect pests and
8 plant and animal diseases and for carrying out assigned
9 inspection, quarantine and regulatory activities, as author-
10 ized by law; $17,461,380, of which $400,000 shall be ap-
11 portioned for use pursuant to section 3679 of the Revised
12 Statutes, as amended, for the control of outbreaks of insects
13 and plant diseases under the joint resolution approved May
14 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to
15 meet emergency conditions: *Provided further,* That no part
16 of this appropriation shall be used to pay the cost or value
17 of trees, farm animals, farm crops, or other property injured
18 or destroyed as a result of plant insect and disease control
19 activities except potatoes and tomatoes as authorized under
20 the Golden Nematode Act: *Provided further,* That, in the
21 discretion of the Secretary, no part of this appropriation shall
22 be expended for the control of sweetpotato weevil in any State
23 until such State has provided cooperation necessary to
24 accomplish this purpose, or for barberry eradication until
25 a sum or sums at least equal to such expenditures shall have

1 been made available by States, counties, or local authorities,
2 or by individuals or organizations for the accomplishment
3 of this purpose, or with respect to the golden nematode except
4 as prescribed in section 4 of the Golden Nematode Act.

5 Meat inspection: For carrying out the provisions of laws
6 relating to Federal inspection of meat and meat-food prod-
7 ucts; $14,190,000.

8 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

9 For payments to the States, Hawaii, Alaska, and Puerto
10 Rico to be paid quarterly in advance where applicable, to
11 carry into effect the provisions of the following Acts relating
12 to agricultural experiment stations:

13 Hatch Act, the Act approved March 2, 1887 (7
14 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams
15 Act, the Act approved March 16, 1906 (7 U. S. C. 369),
16 $720,000; Purnell Act, the Act approved February 24, 1925
17 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382),
18 $2,880,000; Bankhead-Jones Act, title I of the Act ap-
19 proved June 29, 1935 (7 U. S. C. 427–427g), sections 3
20 and 5, $2,863,708, and sections 9 and 11 of said Act as
21 added by the Act of August 14, 1946 (7 U. S. C. 427h,
22 427j), including administration by the Office of Experiment
23 Stations in the United States Department of Agriculture,
24 $7,500,000, no part of which latter amount shall
25 be used for beginning construction of any building

1 costing in excess of $15,000; Hawaii, the Act approved
2 May 16, 1928 (7 U. S. C. 386–386b), extending the
3 benefits of certain Acts of Congress to the Territory of
4 Hawaii, $90,000; Alaska, the Act approved February 23,
5 1929 (7 U. S. C. 386c), extending the benefits of the Hatch
6 Act to the Territory of Alaska, $15,000, and the provisions
7 of section 2 of the Act approved June 20, 1936, as
8 amended (7 U. S. C. 369a), extending the benefits of the
9 Adams and Purnell Acts to the Territory of Alaska,
10 $75,000; Puerto Rico, the Act approved March 4, 1931, as
11 amended (7 U. S. C. 386d–386f), extending the benefits of
12 certain Acts of Congress to Puerto Rico, $90,000; section
13 204 (b) of the Agricultural Marketing Act, the Act approved
14 August 14, 1946 (7 U. S. C. 1623), $500,000; in all
15 payments to States, Hawaii, Alaska, and Puerto Rico,
16 $15,453,708.

17 FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF
18 ANIMALS AND POULTRY

19 Eradication activities: For expenses necessary in the arrest
20 and eradication of foot-and-mouth disease, rinderpest, conta-
21 gious pleuropneumonia, or other contagious or infectious dis-
22 eases of animals, or European fowl pest and similar diseases in
23 poultry, including the payment of claims growing out of de-
24 struction of animals (including poultry) affected by or ex-
25 posed to, or of materials contaminated by or exposed to, any

1 such disease, when there has been compliance with all lawful
2 quarantine regulations, and for foot-and-mouth disease and
3 rinderpest programs undertaken pursuant to the provisions of
4 the Act of February 28, 1947, and the Act of May 29, 1884,
5 as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including
6 expenses in accordance with section 2 of said Act of Feb-
7 ruary 28, 1947, the Secretary may transfer from other
8 appropriations or funds available to the bureaus, corpora-
9 tions, or agencies of the Department such sums as he may
10 deem necessary, but not to exceed $2,650,000 for eradica-
11 tion of vesicular exanthema of swine, to be available only
12 in an emergency which threatens the livestock or poultry
13 industry of the country, and any unexpended balances of
14 funds transferred under this head in the next preceding fiscal
15 year shall be merged with such transferred amounts: *Pro-*
16 *vided,* That, except for payments made pursuant to said Act
17 of February 28, 1947, the payment for animals may be made
18 on appraisement based on the meat, egg-production, dairy,
19 or breeding value, but in case of appraisement based on
20 breeding value no appraisement of any animal shall exceed
21 three times its meat, egg-production, or dairy value and,
22 except in case of an extraordinary emergency to be
23 determined by the Secretary, the payment by the United
24 States shall not exceed one-half of any such appraisements:
25 *Provided further,* That this appropriation shall be subject to

1 applicable provisions contained in the item "Salaries and
2 expenses, Agricultural Research Service".

3 Research: For expenses necessary for research author-
4 ized by the Act of April 24, 1948 (21 U. S. C. 113a),
5 $1,800,000.

6 EXTENSION SERVICE

7 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

8 For payments for cooperative agricultural extension work
9 under the Smith-Lever Act, as amended by the Act of June
10 26, 1953 (Public Law 83), $34,597,279; under section 5,
11 Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and
12 payments and contracts for such work under section 204 (b)–
13 205 of the Agricultural Marketing Act of 1946 (7 U. S. C.
14 1623–1624), $925,000; in all, $35,610,279: *Provided,*
15 That funds hereby appropriated pursuant to section 3 (c) of
16 the Act of June 26, 1953 (Public Law 83) shall not be paid
17 to any State, Hawaii, Alaska, or Puerto Rico prior to avail-
18 ability of an equal sum from non-Federal sources for expendi-
19 ture during the current fiscal year.

20 FEDERAL EXTENSION SERVICE

21 Administration and coordination: For administration
22 of the Smith-Lever Act, as amended by the Act of June 26,
23 1953 (Public Law 83), section 5 of the Clarke-McNary
24 Act (16 U. S. C. 568–568a), and extension aspects of the
25 Agricultural Marketing Act of 1946 (7 U. S. C. 1621-

1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,381,235.

Penalty mail: For costs of penalty mail for cooperative extension agents, $1,885,000.

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), $408,000.

FOREST SERVICE

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided,* That the cost of any building

1 purchased, erected, or as improved, exclusive of the cost of
2 constructing a water-supply or sanitary system and of con-
3 necting the same with any such building, and exclusive of the
4 cost of any tower upon which a lookout house may be erected,
5 shall not exceed $18,500 ($22,500 in Alaska) with the ex-
6 ception that any building erected, purchased, or acquired, the
7 cost of which was $18,500 or more, may be improved out of
8 the appropriations made under this Act for the Forest Service
9 by an amount not to exceed 2 per centum of the cost of such
10 building; to protect, administer, and improve the national
11 forests, including tree planting and other measures to pre-
12 vent erosion, drift, surface wash, soil waste, and the forma-
13 tion of floods, and to conserve water; to ascertain the natural
14 conditions upon and utilize the national forests, to transport
15 and care for fish and game supplied to stock the national
16 forests or the waters therein; for management of lands ac-
17 quired under the land utilization program; and to collate,
18 digest, report, and illustrate the results of experiments and
19 investigations made by the Forest Service: *Provided fur-*
20 *ther,* That the appropriations available to the Forest Serv-
21 ice for the current fiscal year may be used for the operation
22 and maintenance of aircraft, and the purchase of not to ex-
23 ceed four (for replacement only), and not to exceed
24 $250,000 of such appropriations may be used for the

1 maintenance, improvement, and construction of aircraft land-
2 ing fields in, or adjacent to, the national forests, as follows:
3 National forest protection and management: For the ad-
4 ministration, protection, use, maintenance, improvement, and
5 development of the national forests, including the establish-
6 ment and maintenance of forest tree nurseries, including the
7 procurement of tree seed and nursery stock by purchase, pro-
8 duction, or otherwise, seeding and tree planting and the care
9 of plantations and young growth; the maintenance of roads
10 and trails and the construction and maintenance of all other
11 improvements necessary for the proper and economical ad-
12 ministration, protection, development, and use of the national
13 forests, including experimental areas under Forest Service
14 administration, except that where direct purchases will be
15 more economical than construction, improvements may be
16 purchased; the construction (not to exceed $18,500 for any
17 one structure), equipment, and maintenance of sanitary and
18 recreational facilities; timber cultural operations; develop-
19 ment and application of fish and game management plans;
20 propagation and transplanting of plants suitable for planting
21 on semiarid portions of the national forests; estimating and
22 appraising of timber and other resources and development
23 and application of plans for their effective management, sale,
24 and use; expenses of the National Forest Reservation Com-
25 mission as authorized by section 14 of the Act of March 1,

1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506–509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed $100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010–1012); $30,132,700: *Provided,* That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

1 Fighting forest fires: For fighting and preventing forest
2 fires on or threatening lands under Forest Service adminis-
3 tration, including lands under contract for purchase or in
4 process of condemnation for Forest Service purposes, and for
5 liquidation of obligations incurred in the preceding fiscal year
6 for such purpose, $6,000,000, of which $2,500,000 shall be
7 apportioned for use, pursuant to section 3679 of the Revised
8 Statutes, as amended, to the extent necessary to meet emer-
9 gency conditions.

10 Control of forest pests: For the control of white pine
11 blister rust pursuant to the Act of April 26, 1940 (16
12 U. S. C. 594a), including the development and testing of
13 new control methods, $2,650,000, of which $360,000 shall
14 be available to the Department of the Interior for the control
15 of white pine blister rust on or endangering Federal lands
16 under the jurisdiction of that Department or lands of Indian
17 tribes which are under the jurisdiction of or retained under
18 restrictions of the United States; and for carrying out the
19 Forest Pest Control Act (16 U. S. C., Supp. V, 594–1—
20 594–5), $2,150,000, of which $1,750,000 shall be appor-
21 tioned for use pursuant to section 3679 of the Revised Stat-
22 utes, as amended, for the purposes of said Act to the extent
23 necessary under the then existing conditions; $4,800,000.

24 Forest research: For forest research at forest or range
25 experiment stations, the Forest Products Laboratory, or else-

1 where, in accordance with the provisions of sections 1, 2, 3,
2 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as
3 amended (16 U. S. C. 581, 581a–581c, 581f–581i), includ-
4 ing the construction and maintenance of improvements; fire,
5 silvicultural, watershed, forest insects and diseases, and other
6 forest investigations and experiments; investigations and
7 experiments to develop improved methods of management of
8 forest and related ranges; experiments, investigations, and
9 tests of forest products; marketing research and service on
10 timber and timber products; a comprehensive forest survey;
11 and investigations in forest economics; $6,170,564: *Pro-*
12 *vided,* That funds may be advanced to cooperators under
13 such regulations as the Secretary may prescribe when such
14 action will stimulate or facilitate cooperative work.
15 FOREST ROADS AND TRAILS
16 For expenses necessary for carrying out the provisions
17 of section 23 of the Federal Highway Act approved Novem-
18 ber 9, 1921, as amended (23 U. S. C. 23, 23a), relating
19 to forest development roads and trails, including the con-
20 struction, reconstruction, and maintenance of roads and
21 trails on experimental areas under Forest Service admin-
22 istration, $14,498,000, which sum is authorized to be ap-
23 propriated by the Acts of September 7, 1950 (64 Stat.
24 786), and June 25, 1952 (66 Stat. 158), to remain avail-
25 able until expended: *Provided,* That this appropriation

shall be available for the rental, purchase, construction, or alteration of buildings necessary for the storage and repair of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased, altered, or constructed under this authorization shall not exceed $18,500 ($22,500 in Alaska), with the exception that any building erected, purchased, or acquired, the cost of which was $18,500 or more, may be improved within any fiscal year by an amount not to exceed 2 per centum of the cost of such buildings.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

Weeks Act

For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), $75,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

1 Special Acts

2 For the acquisition of land to facilitate the control of
3 soil erosion and flood damage originating within the exterior
4 boundaries of the following national forest, in accordance
5 with the provisions of the following Act authorizing annual
6 appropriations of forest receipts for such purposes, and in not
7 to exceed the following amount from such receipts:
8 Cache National Forest, Utah, Act of May 11, 1938 (Public
9 Law 505), as amended, $10,000: *Provided,* That no part
10 of this appropriation shall be used for acquisition of any
11 land which is not within the boundaries of a national
12 forest: *Provided further,* That no part of this appropriation
13 shall be used for the acquisition of any land without the
14 approval of the local government concerned.

15 STATE AND PRIVATE FORESTRY COOPERATION

16 For expenses necessary for cooperation with the various
17 States in forest-fire prevention and suppression, in forest
18 tree planting, in forest management and processing, and in
19 farm forestry extension, pursuant to the Act of August 25,
20 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3,
21 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–
22 568a), and Acts supplementary thereto; advising tim-
23 berland owners, associations, and other appropriate agen-

1 cies in the application of forest management principles to
2 federally owned lands leased to States and to private forest
3 lands, and advising wood-using industries in processing of
4 forest products, so as to attain sustained-yield management,
5 the conservation of the timber resources, the productivity of
6 forest lands, and the stabilization of employment and eco-
7 nomic continuance of forest industries; $10,608,690.

8 COOPERATIVE RANGE IMPROVEMENTS

9 For artificial revegetation, construction, and mainte-
10 nance of range improvements, control of rodents, and eradi-
11 cation of poisonous and noxious plants on national forests
12 as authorized by section 12 of the Act of April 24, 1950
13 (16 U. S. C. 580h), $281,000, to remain available until
14 expended.

15 SOIL CONSERVATION SERVICE

16 CONSERVATION OPERATIONS

17 For necessary expenses for carrying out the provisions
18 of the Act of April 27, 1935 (16 U. S. C. 590a–590f), in-
19 cluding preparation of conservation plans and establishment of
20 measures to conserve soil and water (including farm irriga-
21 tion and land drainage and such special measures as may
22 be necessary to prevent floods and the siltation of reser-
23 voirs); operation of conservation nurseries; classification
24 and mapping of soils; dissemination of information; pur-
25 chase and erection or alteration of permanent buildings;

1 operation and maintenance of aircraft; and furnishing of
2 subsistence to employees; $58,165,671: *Provided,* That
3 the cost of any permanent building purchased, erected, or as
4 improved, exclusive of the cost of constructing a water
5 supply or sanitary system and connecting the same to any
6 such building and with the exception of buildings acquired
7 in conjunction with land being purchased for other purposes,
8 shall not exceed $2,500, except for eight buildings to be
9 constructed or improved at a cost not to exceed $15,000
10 per building and except that alterations or improvements to
11 other existing permanent buildings costing $2,500 or more
12 may be made in any fiscal year in an amount not to exceed
13 $500 per building: *Provided further,* That no part of this
14 appropriation shall be available for the construction of any
15 such building on land not owned by the Government: *Pro-*
16 *vided further,* That in the State of Missouri, where the State
17 has established a central State agency authorized to enter
18 into agreements with the United States or any of its agencies
19 on policies and general programs for the saving of its soil by
20 the extension of Federal aid to any soil conservation district
21 in such State, the agreements made by or on behalf of the
22 United States with any such soil conservation district shall
23 have the prior approval of such central State agency before
24 they shall become effective as to such district: *Provided*

1 *further,* That no part of this appropriation may be expended
2 for soil and water conservation operations under the Act of
3 April 27, 1935 (16 U. S. C. 590a–590f), in demonstration
4 projects: *Provided further,* That not to exceed $5,000 may
5 be used for employment pursuant to the second sentence of
6 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
7 574), as amended by section 15 of the Act of August 2,
8 1946 (5 U. S. C. 55a): *Provided further,* That qualified
9 local engineers may be temporarily employed at per diem
10 rates to perform the technical planning work of the service.

11 WATERSHED PROTECTION

12 For expenses necessary to conduct surveys, investiga-
13 tions, and research and to carry out preventive measures,
14 including, but not limited to, engineering operations, meth-
15 ods of cultivation, the growing of vegetation, and changes in
16 use of land, in accordance with the provisions of the Act of
17 April 27, 1935 (16 U. S. C. 590a–590f), to remain available
18 until expended, $5,000,000, with which shall be merged the
19 unexpended balances of funds heretofore appropriated or
20 transferred to the Department for watershed protection
21 purposes.

22 FLOOD PREVENTION

23 For expenses necessary, in accordance with the Flood
24 Control Act, approved June 22, 1936 (Public Law 738),
25 as amended and supplemented, and in accordance with the

1 provisions of laws relating to the activities of the Depart-
2 ment, to make preliminary examinations and surveys, and
3 to perform works of improvement, and to plan the agricul-
4 tural phases of the development of the Arkansas-White-Red
5 River area, the New England-New York area, including not
6 to exceed $100,000 for employment pursuant to the second
7 sentence of section 706 (a) of the Organic Act of 1944 (5
8 U. S. C. 574), as amended by section 15 of the Act of
9 August 2, 1946 (5 U. S. C. 55a), at rates for individuals
10 not to exceed $100 per diem, to remain available until
11 expended, $6,982,000, with which shall be merged the
12 unexpended balances of funds heretofore appropriated or
13 transferred to the Department for flood prevention pur-
14 poses: *Provided,* That no part of such funds shall be used
15 for the purchase of lands in the Yazoo and Little Tallahatchie
16 watersheds without specific approval of the county board of
17 supervisors of the county in which such lands are situated,
18 nor shall any part of such funds be used for the purchase of
19 lands in the counties of Adair, Cherokee, and Sequoyah, in
20 the State of Oklahoma, and Neosho, Cottonwood, Verdigris,
21 Caney, and tributaries in Kansas, without the specific ap-
22 proval of the Board of County Commissioners of the county
23 in which such lands are situated: *Provided further,* That
24 of the funds available herein, not in excess of $6,-
25 504,500 (with which shall be merged the unexpended

1 balances of funds heretofore made available for these pur-
2 poses) may be expended in watersheds heretofore authorized
3 by section 13 of the Flood Control Act of December 22,
4 1944, for necessary gully control, floodwater detention, and
5 floodway structures in areas other than those over which
6 the Department of the Army has jurisdiction and
7 responsibility.

8 WATER CONSERVATION AND UTILIZATION PROJECTS

9 For expenses necessary to carry out the functions of
10 the Department under the Acts of May 10, 1939 (53 Stat.
11 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10),
12 as amended and supplemented, June 28, 1949 (Public Law
13 132), and September 6, 1950 (7 U. S. C. 1033–1039), re-
14 lating to water conservation and utilization projects, to
15 remain available until expended, $480,000, which sum shall
16 be merged with the unexpended balances of funds heretofore
17 appropriated to said Department for the purposes of said
18 Acts.

19 AGRICULTURAL CONSERVATION PROGRAM SERVICE

20 For necessary expenses to carry into effect the pro-
21 visions of section 7 to 17, inclusive, of the Soil Conser-
22 vation and Domestic Allotment Act, approved February
23 29, 1936, as amended (16 U. S. C. 590g–590q), in-
24 cluding not to exceed $6,000 for the preparation and dis-
25 play of exhibits, including such displays at State, interstate,

1 and international fairs within the United States; $191,-
2 700,000, to remain available until December 31 of the
3 next succeeding fiscal year for compliance with the pro-
4 gram of soil-building practices and soil- and water-conserv-
5 ing practices authorized under this head in the Department
6 of Agriculture Appropriation Act, 1954, carried out during
7 the period July 1, 1953, to December 31, 1954, inclusive:
8 *Provided,* That not to exceed $22,500,000 of the total sum
9 provided under this head shall be available during the cur-
10 rent fiscal year for salaries and other administrative ex-
11 penses for carrying out such program, the cost of aerial
12 photographs, however, not to be charged to such limita-
13 tion; but not more than $4,020,000 shall be transferred
14 to the appropriation account, "Administrative expenses,
15 section 392, Agricultural Adjustment Act of 1938":
16 *Provided further,* That payments to claimants here-
17 under may be made upon the certificate of the claimant,
18 which certificate shall be in such form as the Secretary may
19 prescribe, that he has carried out the conservation practice or
20 practices and has complied with all other requirements as
21 conditions for such payments and that the statements and
22 information contained in the application for payment are
23 correct and true, to the best of his knowledge and belief,
24 under the penalties of title 18, United States Code: *Provided*

1 *further,* That none of the funds herein appropriated or made
2 available for the functions assigned to the Agricultural Ad-
3 justment Agency pursuant to the Executive Order Numbered
4 9069, of February 23, 1942, shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further,* That
9 such amount shall be available for salaries and other admin-
10 istrative expenses in connection with the formulation and
11 administration of the 1955 program of soil-building practices
12 and soil- and water-conserving practices, under the Act of
13 February 29, 1936, as amended (amounting to $250,000,-
14 000, including administration, but of this amount not more
15 than $195,000,000 may be used until a final program has
16 been adopted relative to the use of acreage diverted from
17 production, and formulated on the basis of a distribution
18 of the funds available for payments and grants among
19 the several States in accordance with their conservation
20 needs as determined by the Secretary, except that the
21 proportion allocated to any State shall not be reduced more
22 than 15 per centum from the distribution for the next preced-
23 ing program year, and no participant shall receive more than
24 $1,500) ; but the payments or grants under such programs

1 shall be conditioned upon the utilization of land with respect
2 to which such payments or grants are to be made in con-
3 formity with farming practices which will encourage and
4 provide for soil-building and soil- and water-conserving prac-
5 tices in the most practical and effective manner and adapted
6 to conditions in the several States, as determined and ap-
7 proved by the State committees appointed pursuant to section
8 8 (b) of the Soil Conservation and Domestic Allotment Act,
9 as amended (16 U. S. C. 590h (b)), for the respective
10 States: *Provided further,* That not to exceed 5 per centum of
11 the allocation for the 1955 agricultural conservation program
12 for any county may, on the recommendation of such county
13 committee and approval of the State committee, be withheld
14 and allotted to the Soil Conservation Service for services of
15 its technicians in formulating and carrying out the agricultural
16 conservation program in the participating counties, and the
17 funds so allotted may be placed in a single account for each
18 State, and shall not be utilized by the Soil Conservation
19 Service for any purpose other than technical and other
20 assistance in such counties: *Provided further,* That for the
21 1955 program $2,500,000 shall be available for technical
22 assistance in formulating and carrying out agricultural con-
23 servation practices and $1,000,000 shall be available for
24 conservation practices related directly to flood prevention

1 work in approved watersheds: *Provided further,* That in
2 carrying out the 1955 program the Secretary shall give
3 particular consideration to the conservation problems on farm
4 lands diverted from crops under acreage-allotment programs:
5 *Provided further,* That such amounts shall be available for the
6 purchase of seeds, fertilizers, lime, trees, or any other farming
7 material, or any soil-terracing services, and making grants
8 thereof to agricultural producers to aid them in carrying out
9 farming practices approved by the Secretary under programs
10 provided for herein: *Provided further,* That no part of any
11 funds available to the Department, or any bureau, office, cor-
12 poration, or other agency constituting a part of such Depart-
13 ment, shall be used in the current fiscal year for the payment
14 of salary or travel expenses of any person who has been con-
15 victed of violating the Act entitled "An Act to prevent perni-
16 cious political activities", approved August 2, 1939, as
17 amended, or who has been found in accordance with the
18 provisions of title 18, United States Code, section 1913, to
19 have violated or attempted to violate such section which
20 prohibits the use of Federal appropriations for the payment
21 of personal services or other expenses designed to influence
22 in any manner a Member of Congress to favor or oppose any
23 legislation or appropriation by Congress except upon request
24 of any Member or through the proper official channels.

1 AGRICULTURAL MARKETING SERVICE

2 MARKETING RESEARCH AND SERVICE

3 For expenses necessary to carry on research and service
4 to improve and develop marketing and distribution relating to
5 agriculture as authorized by the Agricultural Marketing Act
6 of 1946 (7 U. S. C. 1621–1627) and other laws, including
7 the administration of marketing regulatory acts connected
8 therewith:

9 Marketing research and agricultural estimates: For re-
10 search and development relating to agricultural marketing
11 and distribution, for analyses relating to farm prices, income
12 and population, and demand for farm products, and for crop
13 and livestock estimates; $9,100,800: *Provided,* That no
14 part of the funds herein appropriated shall be available for
15 any expense incident to ascertaining, collating, or publishing
16 a report stating the intention of farmers as to the acreage to
17 be planted in cotton, or for estimates of apple production
18 for other than the commercial crop.

19 Marketing services: For services relating to agricultural
20 marketing and distribution, for carrying out regulatory acts
21 connected therewith, and for administration and coordination
22 of payments to States; $11,463,500, including not to exceed
23 $25,000 for employment at rates not to exceed $100 per
24 diem, pursuant to the second sentence of section 706 (a) of

1 the Organic Act of 1944 (5 U. S. C. 574), as amended by
2 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in
3 carrying out section 201 (a) to 201 (d), inclusive, of title
4 II of the Agricultural Adjustment Act of 1938 (7 U. S. C.
5 1291) and section 203 (j) of the Agricultural Marketing
6 Act of 1946.

7 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

8 For payments to departments of agriculture, bureaus
9 and departments of markets and similar agencies for market-
10 ing activities under section 204 (b) of the Agricultural
11 Marketing Act of 1946 (7 U. S. C. 1623 (b)), $573,000.

12 REPAYMENT TO COMMODITY CREDIT CORPORATION

13 For reimbursement to Commodity Credit Corporation
14 for sums transferred to the appropriation "Marketing serv-
15 ices", fiscal year 1953 (including interest thereon
16 through June 30, 1954), pursuant to authority con-
17 tained under the head "Marketing services" in the Depart-
18 ment of Agriculture Appropriation Act, 1952 (7 U. S. C.
19 414a), for grading tobacco and classing cotton without
20 charge to producers, as authorized by law (7 U. S. C. 473a,
21 511d), $441,655.

22 SCHOOL LUNCH PROGRAM

23 For necessary expenses to carry out the provisions of
24 the National School Lunch Act (42 U. S. C. 1751–1760),
25 $77,011,416: *Provided,* That no part of this appropriation

1 shall be used for nonfood assistance under section 5 of said
2 Act.

3 FOREIGN AGRICULTURAL SERVICE

4 For necessary expenses for the Foreign Agricultural
5 Service and for enabling the Secretary to coordinate and
6 integrate activities of the Department in connection with
7 foreign agricultural work, $965,000.

8 COMMODITY EXCHANGE AUTHORITY

9 For necessary expenses to carry into effect the provisions
10 of the Commodity Exchange Act, as amended (7 U. S. C.
11 1–17a), $673,000.

12 COMMODITY STABILIZATION SERVICE

13 AGRICULTURAL ADJUSTMENT PROGRAMS

14 For necessary expenses to formulate and carry out acre-
15 age allotment and marketing quota programs pursuant to
16 provisions of title III of the Agricultural Adjustment Act of
17 1938, as amended (7 U. S. C. 1301–1393), $40,000,000,
18 of which not more than $5,500,000 shall be transferred to
19 the appropriation account "Administrative expenses, section
20 392, Agricultural Adjustment Act of 1938": *Provided,* That
21 $3,500,000 of this appropriation shall be placed in reserve
22 to be apportioned for use pursuant to section 3679 of the
23 Revised Statutes, as amended, to the extent necessary for
24 carrying out marketing quotas for the 1955 crop of wheat.

1 SUGAR ACT PROGRAM

2 For necessary expenses to carry into effect the provisions
3 of the Sugar Act of 1948 (7 U. S. C. 1101–1160),
4 $59,600,000, to remain available until June 30 of the next
5 succeeding fiscal year: *Provided,* That expenditures (includ-
6 ing transfers) from this appropriation for other than pay-
7 ments to sugar producers shall not exceed $1,392,000, of
8 which $77,000 shall be placed in reserve to be apportioned
9 pursuant to section 3679 of the Revised Statutes, as amended,
10 for use as may become necessary for applying restrictive
11 proportionate shares on the 1955 beet crop.

12 FEDERAL CROP INSURANCE CORPORATION

13 For operating and administrative expenses, $5,700,000.

14 RURAL ELECTRIFICATION ADMINISTRATION

15 To carry into effect the provisions of the Rural Electrifi-
16 cation Act of 1936, as amended (7 U. S. C. 901–924), as
17 follows:

18 LOAN AUTHORIZATIONS

19 For loans in accordance with said Act, and for carrying
20 out the provisions of section 7 thereof, to be borrowed from
21 the Secretary of the Treasury in accordance with the pro-
22 visions of section 3 (a) of said Act as follows: Rural elec-
23 trification program, $100,000,000; and rural telephone
24 program, $75,000,000; and additional amounts, not to
25 exceed $35,000,000 for the rural electrification program,

1 may be borrowed under the same terms and conditions to
2 the extent that such additional amounts are required during
3 the fiscal year 1955, under the then existing conditions,
4 for the expeditious and orderly development of the program.

5 SALARIES AND EXPENSES

6 For administrative expenses, including not to exceed
7 $500 for financial and credit reports, and not to exceed
8 $75,000 for employment pursuant to the second sentence
9 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.
10 574), as amended by section 15 of the Act of August 2,
11 1946 (5 U. S. C. 55a), $7,285,000.

12 FARMERS' HOME ADMINISTRATION

13 To carry into effect the provisions of titles I, II, and
14 the related provisions of title IV of the Bankhead-Jones
15 Farm Tenant Act, as amended (7 U. S. C. 1000–1031);
16 the Farmers' Home Administration Act of 1946 (7 U. S. C.
17 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.
18 Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946
19 (40 U. S. C. 436–439); the Act of August 28, 1937, as
20 amended (16 U. S. C. 590r–590x, 590z–5), for the develop-
21 ment of facilities for water storage and utilization in the arid
22 and semiarid areas of the United States; the provisions of
23 title V of the Housing Act of 1949 (42 U. S. C. 1471–
24 1483), as amended by the Housing Act of 1952 (Public
25 Law 531, approved July 14, 1952), relating to financial

1 assistance for farm housing; the Rural Rehabilitation Cor-
2 poration Trust Liquidation Act, approved May 3, 1950 (40
3 U. S. C. 440–444) ; the items "Loans to farmers, 1948 flood
4 damage" in the Act of June 25, 1948 (62 Stat. 1038), and
5 "Loans to farmers, property damage" in the Act of May 24,
6 1949 (63 Stat. 82) ; the collecting and servicing of credit
7 sales and development accounts in water conservation and
8 utilization projects (53 Stat. 685, 719), as amended and
9 supplemented (16 U. S. C. 590y, z1 and z10) ; and the Act
10 to direct the Secretary of Agriculture to convey certain
11 mineral interests, approved September 6, 1950 (7 U. S. C.
12 1033–1039), as follows:

13 LOAN AUTHORIZATIONS

14 For loans (including payments in lieu of taxes and taxes
15 under section 50 of the Bankhead-Jones Farm Tenant Act,
16 as amended, and advances incident to the acquisition and
17 preservation of security of obligations under the foregoing
18 several authorities) : Title I and section 43 of title IV of
19 the Bankhead-Jones Farm Tenant Act, as amended,
20 $19,000,000, of which not to exceed $5,000,000 may be dis-
21 tributed to States and Territories without regard to farm
22 population and prevalence of tenancy, in addition to the
23 amount otherwise distributed thereto, for loans in reclama-
24 tion projects and to entrymen on unpatented public land; title
25 II of the Bankhead-Jones Farm Tenant Act, as amended,

1 $120,000,000; the Act of August 28, 1937, as amended,
2 $6,500,000: *Provided*, That not to exceed the foregoing sev-
3 eral amounts shall be borrowed in one account from the Secre-
4 tary of the Treasury in accordance with the provisions set
5 forth under this head in the Department of Agriculture
6 Appropriation Act, 1952.

7 SALARIES AND EXPENSES

8 For making, servicing, and collecting loans and insured
9 mortgages, the servicing and collecting of loans made under
10 prior authority, the liquidation of assets transferred to Farm-
11 ers' Home Administration, and other administrative ex-
12 penses, $23,750,000, together with a transfer of not to
13 exceed $400,000 of the fees and administrative expense
14 charges made available by subsections (d) and (e) of section
15 12 of the Bankhead-Jones Farm Tenant Act, as amended.

16 OFFICE OF THE SOLICITOR

17 For necessary expenses, including payment of fees or
18 dues for the use of law libraries by attorneys in the field
19 service, $2,000,000, together with such amounts from other
20 appropriations or authorizations as are provided in the
21 schedules in the budget for the current fiscal year for such
22 expenses, which several amounts not exceeding a total of
23 $300,000 shall be transferred to and made a part of this
24 appropriation.

1 OFFICE OF THE SECRETARY

2 For expenses of the Office of the Secretary of Agriculture,
3 including the purchase of one passenger motor vehicle for
4 replacement only; expenses of the National Agricultural
5 Advisory Commission; stationery, supplies, materials, and
6 equipment; freight, express, and drayage charges; adver-
7 tising of bids, communication service, postage, washing
8 towels, repairs and alterations, and other miscellaneous
9 supplies and expenses not otherwise provided for and nec-
10 essary for the practical and efficient work of the Department
11 of Agriculture; $2,050,000, together with such amounts from
12 other appropriations or authorizations as are provided in the
13 schedules in the budget for the current fiscal year for such
14 services and expenses, which several amounts or portions
15 thereof, as may be determined by the Secretary, not exceeding
16 a total of $84,280, shall be transferred to and made a part
17 of this appropriation.

18 OFFICE OF INFORMATION

19 For necessary expenses of the Office of Information for
20 the dissemination of agricultural information and the co-
21 ordination of informational work and programs authorized
22 by Congress in the Department, $1,180,400, together
23 with such amounts from other appropriations or au-
24 thorizations as are provided in the schedules in the budget

1 for the current fiscal year for such expenses, which several
2 amounts not exceeding a total of $16,014 shall be trans-
3 ferred to and made a part of this appropriation, of which
4 total appropriation not to exceed $324,000 may be
5 used for farmers' bulletins, which shall be adapted to the
6 interests of the people of the different sections of the country,
7 an equal proportion of four-fifths of which shall be delivered
8 to or sent out under the addressed franks furnished by the
9 Senators, Representatives, and Delegates in Congress, as
10 they shall direct (7 U. S. C. 417) and not less than two
11 hundred thirty thousand eight hundred and fifty copies for
12 the use of the Senate and House of Representatives of part 2
13 of the annual report of the Secretary (known as the Year-
14 book of Agriculture) as authorized by section 73 of the Act
15 of January 12, 1895 (44 U. S. C. 241) : *Provided,* That in
16 the preparation of motion pictures or exhibits by the Depart-
17 ment, not exceeding a total of $10,000 may be used for
18 employment pursuant to the second sentence of section 706
19 (a) of the Organic Act of 1944 (5 U. S. C. 574), as
20 amended by section 15 of the Act of August 2, 1946 (5 U.
21 S. C. 55a) : *Provided further,* That no part of this appro-
22 priation shall be used for the establishment or maintenance
23 of regional or State field offices, or for the compensation of
24 employees in such offices.

1 LIBRARY

2 For necessary expenses, including dues for library mem-
3 bership in societies or associations which issue publications to
4 members only or at a price to members lower than to sub-
5 scribers who are not members, $659,950.

6 TITLE II—CORPORATIONS

7 The following corporations and agencies are hereby au-
8 thorized to make such expenditures, within the limits of funds
9 and borrowing authority available to each such corpora-
10 tion or agency and in accord with law, and to make such con-
11 tracts and commitments without regard to fiscal year limi-
12 tations as provided by section 104 of the Government Corpo-
13 ration Control Act, as amended, as may be necessary in
14 carrying out the programs set forth in the budget for the
15 fiscal year 1955 for such corporation or agency, except as
16 hereinafter provided:

17 Federal Crop Insurance Corporation: *Provided,* That
18 the direct costs of loss adjusters for crop inspections and loss
19 adjustments may be considered as nonadministrative or
20 nonoperating expenses.

21 Commodity Credit Corporation: Nothing in this Act
22 shall be so construed as to prevent the Commodity Credit
23 Corporation from carrying out any activity or any program
24 authorized by law: *Provided,* That not to exceed $18,000,-
25 000 shall be available for administrative expenses of the

1 Corporation: *Provided further,* That all necessary expenses
2 (including legal and special services performed on a contract
3 or fee basis, but not including other personal services) in
4 connection with the acquisition, operation, maintenance.
5 improvement, or disposition of any real or personal property
6 belonging to the Corporation or in which it has an interest,
7 including expenses of collections of pledged collateral, shall
8 be considered as nonadministrative expenses for the purposes
9 hereof.

10 TITLE III—SPECIAL ACTIVITIES

11 RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL
12 MATERIALS

13 For expenses necessary to carry out section 7 (b) of the
14 Strategic and Critical Materials Stock Piling Act of July 23,
15 1946 (50 U. S. C. 98f), $331,500: *Provided,* That
16 this appropriation shall be subject to applicable provisions
17 contained in the item "Salaries and expenses, Agricultural
18 Research Service".

19 TITLE IV—FARM CREDIT ADMINISTRATION

20 Administrative expenses: For necessary expenses, in-
21 cluding services as authorized by section 15 of the Act of
22 August 2, 1946 (5 U. S. C. 55a), the assessments heretofore
23 and hereafter collected from the Federal land banks and
24 other farm credit agencies, to remain available until ex-
25 pended: *Provided,* That not to exceed $2,320,000 shall be

1 obligated during the current fiscal year for such expenses.

2 Federal Farm Mortgage Corporation: Not to exceed
3 $650,000 (to be computed on an accrual basis) of the funds
4 of the Corporation shall be available for administrative ex-
5 penses, including employment on a contract or fee basis of
6 persons, firms, and corporations for the performance of
7 special services, including legal services, and the use of the
8 services and facilities of Federal land banks, National farm
9 loan associations, Federal Reserve banks, and agencies of
10 the Government as authorized by the Act of January 31,
11 1934 (12 U. S. C. 1020–1020h); and said total sum shall
12 be exclusive of services and facilities furnished and examina-
13 tions made by the Farm Credit Administration central office,
14 interest expense, and expenses in connection with the acqui-
15 sition, operation, maintenance, improvement, protection, or
16 disposition of real or personal property belonging to the
17 Corporation or in which it has an interest: *Provided,* That
18 promptly after June 30 of each fiscal year all cash funds in
19 excess of the estimated operating requirements for the cur-
20 rent fiscal year shall be declared as dividends and paid into
21 the general fund of the Treasury: *Provided further,* That
22 the aggregate amount of bonds the Corporation may issue
23 and have outstanding at any one time shall not exceed
24 $500,000,000.

25 Federal intermediate credit banks: Not to exceed

1 $1,740,000 (to be computed on an accrual basis) of the
2 funds of the banks shall be available for administrative ex-
3 penses, including the purchase of not to exceed two passenger
4 motor vehicles for replacement only, and services performed
5 for the banks by other Government agencies (except services
6 and facilities furnished and examinations made by the Farm
7 Credit Administration central office, and services performed
8 by any Federal Reserve bank and by the United States
9 Treasury in connection with the financial transactions of the
10 banks); and said total sum shall be exclusive of interest
11 expense, legal and special services performed on a contract
12 or fee basis, and expenses in connection with the acquisition,
13 operation, maintenance, improvement, protection, or dis-
14 position of real or personal property belonging to the banks
15 or in which they have an interest.

16 Production credit corporations; Not to exceed $1,540,-
17 000 (to be computed on an accrual basis) of the funds
18 of the corporation shall be available for administra-
19 tive expenses, including the purchase of not to exceed
20 five passenger motor vehicles for replacement only, and
21 services performed for the corporations by other Government
22 agencies (except services and facilities furnished and exam-
23 inations made by the Farm Credit Administration central
24 office); and said total sum shall be exclusive of interest
25 expense, legal and special services performed on a contract

1 or fee basis, and expenses in connection with the acquisition,
2 operation, maintenance, improvement, protection, or dis-
3 position of real or personal property belonging to the
4 corporations or in which they have an interest.

5 TITLE V—GENERAL PROVISIONS

6 SEC. 501. Within the unit limit of cost fixed by law, the
7 lump-sum appropriations and authorizations made for the
8 Department under this Act shall be available for the pur-
9 chase, in addition to those specifically provided for, of not to
10 exceed 500 passenger motor vehicles for replacement
11 only, and for the hire of such vehicles, necessary in the con-
12 duct of the work of the Department outside the District of
13 Columbia.

14 SEC. 502. Provisions of law prohibiting or restricting
15 the employment of aliens shall not apply to (1) the tem-
16 porary employment of translators when competent citizen
17 translators are not available; (2) employment in cases of
18 emergency of persons in the field service of the Department
19 for periods of not more than sixty days; and (3) employ-
20 ment under the appropriation for the Foreign Agricultural
21 Service.

22 SEC. 503. Of appropriations herein made which are
23 available for the purchase of lands, not to exceed $1 may be
24 expended for each option to purchase any particular tract or
25 tracts of land.

1 SEC. 504. No part of the funds appropriated by this Act
2 shall be used for the payment of any officer or employee of
3 the Department who, as such officer or employee, or on be-
4 half of the Department or any division, commission, or bu-
5 reau thereof, issues, or causes to be issued, any prediction,
6 oral or written, or forecast, except as to damage threatened
7 or caused by insects and pests, with respect to future prices
8 of cotton or the trend of same.

9 SEC. 505. Except to provide materials required in or
10 incident to research or experimental work where no suitable
11 domestic product is available, no part of the funds appro-
12 priated by this Act shall be expended in the purchase of twine
13 manufactured from commodities or materials produced outside
14 of the United States.

15 SEC. 506. Not less than $1,500,000 of the appropriations
16 of the Department for research and service work authorized
17 by the Act of August 14, 1946 (7 U. S. C. 427, 1621–
18 1629) shall be available for contracting in accordance with
19 said Act.

20 SEC. 507. No part of any appropriation contained in
21 this Act, or of the funds available for expenditure by any
22 corporation included in this Act, shall be used to pay the
23 salary or wages of any person who engages in a strike against
24 the Government of the United States or who is a member
25 of an organization of Government employees that asserts the

1 right to strike against the Government of the United States,
2 or who advocates, or is a member of an organization that
3 advocates, the overthrow of the Government of the United
4 States by force or violence: *Provided,* That for the purposes
5 hereof an affidavit shall be considered prima facie evidence
6 that the person making the affidavit has not contrary to the
7 provisions of this section engaged in a strike against the
8 Government of the United States, is not a member of an
9 organization of Government employees that asserts the right
10 to strike against the Government of the United States, or
11 that such person does not advocate, and is not a member of
12 an organization that advocates, the overthrow of the Govern-
13 ment of the United States by force or violence: *Provided*
14 *further,* That any person who engages in a strike against
15 the Government of the United States or who is a member of
16 an organization of Government employees that asserts the
17 right to strike against the Government of the United States,
18 or who advocates, or who is a member of an organization
19 that advocates, the overthrow of the Government of the
20 United States by force or violence and accepts employment
21 the salary or wages for which are paid from any appropria-
22 tion or fund contained in this Act shall be guilty of a felony
23 and, upon conviction, shall be fined not more than $1,000
24 or imprisoned for not more than one year, or both: *Provided*
25 *further,* That the above penalty clause shall be in addition

1 to, and not in substitution for, any other provisions of exist-
2 ing law: *Provided further,* That nothing in this section shall
3 be construed to require an affidavit from any person em-
4 ployed for less than sixty days for sudden emergency work
5 involving the loss of human life or destruction of property,
6 the payment of salary or wages may be made to such persons
7 from applicable appropriations for services rendered in such
8 emergency without execution of the affidavit contemplated
9 by this section.

10 SEC. 508. No part of any appropriation contained in
11 this Act or of the funds available for expenditure by any
12 corporation or agency included in this Act shall be used for
13 publicity or propaganda purposes to support or defeat legis-
14 lation pending before the Congress.

15 SEC. 509. Appropriations of the Department available
16 for research and service work authorized by the Act of
17 August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629)
18 shall be available for expenses of any advisory committee
19 established as provided in title III of said Act to assist in
20 effectuating the research and service work of the Department.

21 This Act may be cited as the "Department of Agriculture
22 Appropriation Act, 1955".

Union Calendar No. 551

83D CONGRESS
2D SESSION

H. R. 8779

[Report No. 1510]

A BILL

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

By Mr. H. CARL ANDERSEN

APRIL 9, 1954

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

83d Congress, 2d Session | HOUSE OF REPRESENTATIVES | Report No. 1511

CONSIDERATION OF H. R. 8779

April 9, 1954.—Referred to the House Calendar and ordered to be printed

Mr. Brown of Ohio, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 506]

The Committee on Rules, having had under consideration House Resolution 506, report the same to the House with the recommendation that the resolution do pass.

42008

House Calendar No. 174

83D CONGRESS
2D SESSION

H. RES. 506

[Report No. 1511]

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 1954

Mr. BROWN of Ohio, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

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RESOLUTION

Resolved, That during the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

V

House Calendar No. 174

83D CONGRESS
2D SESSION

H. RES. 506

[Report No. 1511]

RESOLUTION

Waiving all points of order against the bill (H. R. 8779) or any provisions contained therein.

By Mr. BROWN of Ohio

APRIL 9, 1954

Referred to the House Calendar and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 13, 1954
For actions of April 12, 1954
83rd-2nd, No. 67

CONTENTS

HIGHLIGHTS: House debated agricultural appropriation bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1955. Began and concluded general debate on this bill, H. R. 8779, after agreeing to a resolution waiving points of order (pp. 4716-59). Agreed to (by a division vote of 59 to 38) an amendment by Rep. Hunter to increase the research item of ARS from $33,154,365 to $35,353,000 (the budget estimate). Rep. Andersen demanded tellers, and this vote is to be taken Wed. (pp. 4755-9.)

2. STATEHOOD. Rep. Miller, Nebr., asked for appointment of House conferees on H. R. 3575, the Hawaii-Alaska statehood bill, but Rep. Rayburn objected, making it necessary for the Rules Committee to consider the matter (p. 4719).

3. PRICE SUPPORTS. Rep. Wheeler inserted the testimony of H. L. Wingate favoring the present price-support program (pp. 4701-2).

4. SURPLUS WHEAT. Rep. Bailey asked distribution of surplus wheat to the needy in this country (p. 4702).

5. FLOOD CONTROL. Passed without amendment H. R. 8377, to increase the Army flood-control authorization for the Columbia River Basin by 16,000,000 (pp. 4759-60). The bill had been reported without amendment earlier in the day (H. Rept. 1512) (p. 4772).

6. PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendment H. R. 5831, to enable the Hawaiian Homes Commission to exchange available lands under the act of 1920 for other public lands (H. Rept. 1517)(p. 4772).

7. VIRGIN ISLANDS. Received a GAO audit report on the Virgin Islands Corporation for 1953 (H. Doc. 368)(p. 4772).

8. PACIFIC NORTHWEST. Rep. Angell spoke on the development and potentialities of this region, including agricultural aspects (pp. 4707-16).

9. ADJOURNMENT. Agreed to a concurrent resolution that when the House adjourns on Apr. 15 it stand in adjournment until Apr. 26 (p. 4703).

SENATE

10. ADJOURNMENT. Heard speeches in memory of the late Sen. Griswold, then adjourned until Wed., Apr. 14 (p. 4699).

BILLS INTRODUCED

11. SURPLUS COMMODITIES. H. R. 8781, by Rep. Bennett, Mich., to provide supplementary benefits for recipients of public assistance under the Social Security Act through issuance of certificates for surplus agricultural food products; to Agriculture Committee (p. 4773).
H. R. 8787, by Rep. Harrison, Wyo., to provide for assistance of needy persons by delivery to the States of price-support wheat; to Agriculture Committee (p. 4773).

12. PRICE SUPPORTS. H. R. 8793, by Rep. Herlong, "to encourage a stable, prosperous and free agriculture"; to Agriculture Committee (p. 4773).

13. MILK MARKETING. H. R. 8795, by Rep. Laird, to amend the Agricultural Marketing Agreement Act so as to remove domestic trade barriers affecting milk and its products; to Agriculture Committee (p. 4773).

14. SMALL BUSINESS. H. R. 8791, by Rep. Yorty, to liberalize and make permanent the Small Business Act of 1953; to Banking and Currency Committee (p. 4773). Remarks of author (p. A2746).

15. PERSONNEL. H. R. 8800, by Rep. Stringfellow, to increase the limitations on the amount of annual leave which may be accumulated; to Post Office and Civil Service Committee (p. 4773).

16. CIVIL DEFENSE. H. J. Res. 492-495, to make the Federal Civil Defense Administration an executive department; to Government Operations Committee (p. 4773).

ITEMS IN APPENDIX

17. RECLAMATION. Rep. Fernandez inserted an excerpt from a report of the President's Water Policy Commission stressing the economic importance of irrigated areas and stating that reclamation projects have had much to do with development of the West (pp. A2746-7).

18. STATEHOOD. Various insertions of newspaper articles favoring Hawaii-Alaska statehood (pp. A2747-8, A2750, A2753-4, A2756, A2760, A2762).

19. ST. LAWRENCE SEAWAY. Reps. Bailey and Van Zandt inserted newspaper editorials opposing this project (pp. A2750, A2763).

20. DAIRY INDUSTRY. Rep. O'Konski inserted a Wis. Agriculturalist and Farmer article objecting to restrictions on marketing of midwest milk in the city milksheds (p. A2753).

21. FORESTRY. Rep. Matthews inserted a Fla. Forest Service statement on development

Pacific Northwest

[U. S. Bureau of Reclamation Projects Appropriations through fiscal years 1939, 1940–54; U. S. Army Corps of Engineers Civil Functions Appropriations; Flood Control, General, 1938–54; Rivers and Harbors 1946–54]

OREGON

Fiscal year	Bureau of Reclamation projects					U. S. Army Corps of Engineers	
	Deschutes	Klamath (Oregon-California)	Owyhee (Idaho-Oregon)	Other [1]	Total	Flood control [2]	Rivers and harbors [3]
1939	$1,206,000	$10,776,400	$20,014,300	$13,229,900	$45,223,600	$4,111,000	
1940	400,000	68,000	370,000		838,000	5,686,000	
1941	399,749	268,000	170,000	[4] 45,415	883,164	880,000	
1942	1,000,000	568,000	341,000	25,000	1,934,000		
1943	100,000	112,925	199,995	20,884	433,804	100,000	
1944	100,000	550,000	186,000	−41,715	794,285	918,000	
1945	2,250,000	526,000	189,000		2,965,000		
1946	1,450,000	1,132,000	411,200	3,000	2,996,200	3,047,000	$575,000
1947	1,716,837	1,451,105	359,500	59,800	3,587,242	5,168,000	3,674,800
1948	1,576,000	2,000,000	260,000	172,000	4,008,000	10,555,000	5,091,000
1949	337,275	274,550	457,600	350,000	1,419,425	14,887,000	32,815,000
1950	327,400	1,100,260	364,100	1,148,750	2,940,510	22,920,000	38,400,000
1951	368,823	1,063,326	381,600		1,813,749	[5] 29,390,000	42,310,000
1952	480,000	400,000	460,000		1,340,000	33,378,000	48,625,000
1953		237,000		700,000	937,000	27,240,000	86,074,100
1954		291,170			291,170	[6] 18,555,000	60,765,000
Total	11,712,084	20,818,736	24,161,295	15,713,034	72,405,149	176,835,000	318,329,900

[1] Other projects, total appropriations:

Arnold	$207,150
Burnt River	558,461
Grants Pass	800,000
Ochoco	1,363,600
Umatilla	7,675,388
Umatilla (Birch Creek Canal)	1,027
Vale	5,107,408
Total	15,713,034

[2] Fiscal year 1938 is the first year for which flood control, general appropriations were made.
[3] Rivers and Harbors data prior to 1946 not easily available.
[4] Includes $47,946 compensation increases, 1918–24 less $1,558 of rescinded NIRA funds on the Umatilla project and less $973 on the Umatilla Birch Creek Canal, both in 1941.
[5] Includes 1951 reallocation of prior year funds of $869,000.
[6] Includes $2 million surplus from prior year appropriations.

Sources: U. S. Bureau of Reclamation. U. S. Corps of Engineers.

WASHINGTON

Fiscal year	Bureau of Reclamation projects				U. S. Army Corps of Engineers projects		
	Columbia Basin	Yakima	Bonneville	Totals by fiscal years	Fiscal year	Flood control, general [7]	Rivers and harbors [8]
Through 1939	$93,805,000	$43,083,605	$100,000	$136,988,605	1938–39	$4,031,000	
1940	30,000,000	1,185,000		31,185,000	1940	3,964,000	
1941	19,500,000	774,951		20,274,951	1941	5,039,000	
1942	17,000,000	865,000		17,865,000	1942	3,607,000	
1943	19,172,675	1,072,850		20,245,525	1943	100,000	
1944	900,000	1,161,528		2,061,528	1944		
1945	2,800,000	1,420,754		4,220,754	1945		
1946	17,238,000	2,265,000		19,503,000	1946	1,317,000	
1947	19,131,200	2,918,600		22,049,800	1947	807,000	
1948	32,384,000	325,000		32,709,000	1948	2,000,000	$550,000
1949	52,817,000	1,676,750		54,493,750	1949	1,664,000	2,842,000
1950	70,170,000	897,533		71,067,533	1950	1,220,000	5,225,000
1951	46,417,628	679,900		47,097,528	1951	[9] 101,000	14,579,000
1952	27,000,000	48,600		27,048,600	1952		16,892,000
1953	19,680,000	1,500,000		21,180,000	1953		15,043,000
1954	18,491,636	3,473,048		21,964,684	1954		23,400,000
Total	486,507,139	63,348,119	100,000	549,955,258		23,850,000	78,531,000

[7] Fiscal year 1938 is the 1st year for which flood control, general, appropriations were made.
[8] Data prior to 1946 not readily available.
[9] Includes 1951 reallocation of prior year funds.

Source: U. S. Department of the Interior, Bureau of Reclamation. U. S. Army Corps of Engineers.

IDAHO

Fiscal year	Boise (Idaho-Oregon)	Bureau of Reclamation projects					U. S. Army Corps of Engineers	
		Minidoka (Idaho-Wyoming)	Palisades	Lewiston Orchards	Other [10]	Total by fiscal year	Flood control, [11] general	Rivers and harbors [12]
Through 1939	$30,268,100	$26,973,853				$57,241,953		
1940	530,000	246,600				776,600	$277,000	
1941	964,956	135,205				1,100,161		
1942	4,795,000	325,000				5,120,000	90,000	
1943	2,350,935	300,275				2,651,210		
1944	3,193,500	114,175				3,307,675		
1945	4,399,000	77,000	$250,000			4,726,000		
1946	7,847,260	810,800	1,450,000			10,108,060		
1947	4,169,134	1,212,476	650,410			6,032,020	250,000	
1948	6,456,000	271,000	930,750	$500,000	$109,500	8,267,250	500,000	
1949	7,130,000	484,840		1,461,000		9,075,840	941,000	
1950	4,490,825	491,400	189,625	495,350		5,667,200	3,250,000	
1951	315,900	326,200				642,100	5,300,000	
1952	154,200	[13] 441,143	2,000,000			2,595,343	13,800,000	
1953		150,000	9,900,000			10,050,000	11,941,000	
1954	222,600	956,000	17,135,432	268,000		18,581,432	8,340,000	
Total	77,286,810	33,315,967	32,506,217	2,724,350	109,500	145,942,844	44,689,000	

[10] Rathdrum Prairie received a total approrpiation, for fiscal year 1948, of $109,500. Mann Creek was authorized in 1941 with $35,534 but later became inactive.
[11] Fiscal year 1938 is 1st year for which flood control, general, appropriations were made.
[12] Data on Rivers and Harbors prior to 1946 not easily available.
[13] Includes $124,243 compensation increase for 1918–24.

Pacific Northwest—Continued
MONTANA

Fiscal year	Bureau of Reclamation projects				U. S. Army Corps of Engineers projects	
	Hungry Horse	Frenchtown	Other [14]	Total by fiscal year	Flood control general [15]	Rivers and harbors
Through 1939		$295,000		$295,000	$57,000	
1942		−10,000		−10,000		
1944		−496	[14] $278,952	278,456		
1945		−5,404		−5,404		
1946	$1,700,000			1,700,000		
1947	867,210			867,210		
1948	2,500,000			2,500,000	171,000	
1949	14,611,650			14,611,650	74,000	
1950	22,093,125			22,093,125		
1951	26,524,626			26,524,626		
1952	22,000,000			22,000,000		
1953	12,570,000			12,570,000	348,000	
1954					400,000	
Total	102,866,611	279,100	278,100	103,424,663	1,050,000	

[14] Missouri Valley project was authorized in 1944 with an appropriation of $278,952.

[15] Fiscal year 1938 is 1st year for which flood control, general, appropriations were made. This is for total State of Montana.

NEEDS FOR EFFECTIVE COOPERATION

There must be effective cooperation between the Federal Government and regional and State interests for carrying on the development, management, and utilization of these great resources. Such a cooperation is necessary to provide a sound basis for the economy of the Northwest. It is important for us to recognize that these great programs have brought the Northwest into its unique and special position in the economy of the United States.

Most of this has happened within the relatively brief period of 15 years. It required much prior planning and discussion to discover the fundamentals of the resources of the Northwest and what should be done with them. However, it is the active programs of the last 15 years that have brought these resources into their present stage of development. And this is really only the beginning features of a large and many-sided development that will extend far into the future. When complete it will be from 3 to 5 times as extensive as all facilities that have so far been completed.

It is important both from the point of view of the Northwest and the country as a whole that these developments be evaluated in their true perspective, and that we proceed along the course of their logical development without interruption and without deviation from sound plans. These great resources which are now partly harnessed and available were permitted for a long time to remain unutilized. In the main, present plans need only be carried through to a logical completion. Completion of many more projects will be needed to make all their potentials available to the economy of the Northwest and to the entire United States.

Extensive planning must go into these great developments, and all this should proceed without interruption. Even temporary interruptions in the yearly allotment of appropriations and authorizations constitute a serious hindrance to the extensive and complicated planning for the many great industries that have a direct or indirect connection with these resources of the Northwest.

Important raw and semifinished materials so widely used should be planned for and developed with assurances that will permit confidence in the program and make possible orderly development. All this is essential for economic stability and soundness, not only of the economic structure of the Northwest but also for other sections of the country. In some cases the entire country is dependent on the basic materials and products of the Northwest, such as lumber and aluminum. Various alloys and other light metals that are being produced in important amounts within the area will be still more prominent in the future.

The development of hydroelectric power in the Columbia River Basin region has contributed heavily to the production of the atomic and hydrogen bomb programs. The Hanford plant in Washington, as well as the Twin Falls plant in Idaho, are heavy users of hydroelectric power from these multiple-purpose plants. As I have pointed out, the aluminum industry also has found it necessary to utilize much of the hydro power in this area in the production of aluminum, which has been the chief source of supply both in peace and in war.

The development of hydroelectric power in the Columbia River area was the direct result of the Federal Government taking over the problem. Over 40 percent of the potential of the hydroelectric power of the Nation is located in the Columbia River and its tributaries and only some 12 percent of it has been developed. By reason of the fact that the Federal Government has exclusive control over the water-resources development for navigation and flood control and, in the main, for reclamation, makes it almost imperative that it take jurisdiction over hydroelectric development as well. The participation of the Federal Government in this program is of such a nature that it will be difficult, if not impossible, for it to step out of the program and leave the field entirely to regional, State, or private development. While it is important, as I have said, for cooperation between the Federal Government and States and local interests in participation so far as possible in the overall problem, no program should be decided upon which will necessitate the complete stoppage of hydroelectric development during this critical period.

Some new Federal starts should be made at once in order to meet the demands for hydro power after the year 1960 which cannot be supplied from existing plants and those now under construction. It takes from 6 to 8 years from the time a hydroelectric plant is first proposed until the generators bring electricity on the line. Experience in the Pacific Northwest has demonstrated that the increased yearly demand for electric power approximates 400,000 to 500,000 kilowatts, or a little less than that of the Bonneville project output.

It is my considered opinion, therefore, that whatever long-range program is adopted for the proposed partnership development of hydroelectric power in the Columbia River area, the Federal Government cannot step out but should continue without interruption the authorization and construction of a sufficient number of new projects to meet this mounting demand for increased power. One new Federal start should be made this year to avoid a shortage of power by 1960.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. ELLSWORTH. Mr. Speaker, I call up House Resolution 506 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. ELLSWORTH. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and at this time I yield myself such time as I may require.

Mr. Speaker, I rise to urge the adoption of this rule, House Resolution 506, which makes in order consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955.

The rule is a very simple one, providing that all points of order during consideration of the Department of Agriculture appropriation bill are waived. That is the only provision carried in the rule.

I may say to the House that in bringing out this rule, which provides for the waiving of points of order, the Rules Committee determined from the Appropriations Committee chairman and members who appeared before us that all matters in the appropirations bill for the Department of Agriculture which are legislative in nature have been taken up with the legislative committee, the Committee on Agriculture, and there is no objection on the part of the Committee on Agriculture to any of the rather minor legislative provisions which appear in the bill and to which there might be raised points of order.

Mr. Speaker, this appropriation bill provides money for the regular activities of the Department of Agriculture as well as the special activities of that Department. It takes care of appropriations for loan authorizations of the Department and for the Commodity Credit Corporation and the Farm Credit Administration.

This bill if approved in the form in which it has come from the Committee on Appropriations would save the American taxpayers $36,282,126 in the field of the Agriculture Department's regular activities as compared to what the Congress appropriated last year. A further saving would be realized in the appropriation for loan authorizations, and finally some $130 million would be saved in the field of special activities if and when the House adopts this bill as reported by the committee.

Mr. Speaker, I hope the House will adopt this rule which will make in order the consideration of the agricultural appropriation bill.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from New York.

Mr. JAVITS. Could we have any idea specifically as to what legislation is contained in this bill upon which we are waiving the rules?

Mr. ELLSWORTH. Yes. I will be glad to answer the gentleman. On page 19 of the committee report, the following items are listed as those which might be subject to a point of order:

On page 3, line 2, in connection with the Agricultural Research Service: "of which not to exceed $20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Ga."

On page 7, line 14, in connection with the Extension Service: "*Provided,* That funds hereby appropriated pursuant to section 3 (c) of the act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year."

On page 22, line 14, in connection with the agricultural conservation program: "but of this amount not more than $195 million may be used until a final program has been adopted relative to the use of acreage diverted from production."

On page 24, line 1, in connection with the agricultural conservation program: "*Provided further,* That in carrying out the 1955 program the Secretary shall give particular consideration to the conservation problems on farmlands diverted from crops under acreage-allotment programs."

On page 28, line 7, in connection with the Sugar Act program: "of which $77,000 shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use as may become necessary for applying restrictive proportionate shares on the 1955 beet crop."

On page 34, line 17, in connection with Federal Crop Insurance Corporation: "*Provided,* That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses."

On page 41, line 15, in connection with general provisions:

"SEC. 509. Appropriations of the Department available for research and service work authorized by the act of August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629) shall be available for expenses of any advisory committee established as provided in title III of said act to assist in effectuating the research and service work of the Department."

Those are the pertinent sections of the bill.

Mr. JAVITS. I thank the gentleman.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from West Virginia.

Mr. BAILEY. In connection with the same question asked by the gentleman from New York, you have just pointed out those items and they are available to the Members of the House who have a copy of the report, but you failed to give any reasons why there should be a closed rule and waiving objections to these particular points.

Mr. ELLSWORTH. The rule is not, may I say, a closed rule. The rule merely waives points of order. The reasons why we gave this type of rule on this bill, as I stated earlier, is that upon questioning it was revealed that all of these matters do not appear to be of outstanding importance in the way of legislative language, which is the first point, and, secondly, representatives of the Committee on Agriculture were present at the time the Committee on Rules heard the Appropriations Subcommittee on this bill and assured the Committee on Rules that the Committee on Agriculture had no objection to the language contained in the bill and that, in fact, such language would be helpful in view of the fact that the Committee on Agriculture is working on the very same items, and these paragraphs merely allow the effect of the legislative work being done by the Committee on Agriculture to take place a little earlier.

Mr. BAILEY. I want to thank the gentleman from Oregon [Mr. ELLSWORTH] and point out the fact that 1 or 2 of the points in question are rather basic.

Mr. ELLSWORTH. I thank the gentleman. I believe if the gentleman will go along with the adoption of the rule, the Appropriations Subcommittee has adequate explanation of all these points, which explanation was duly given to the members of the Rules Committee at the time the rule was requested.

Mr. BAILEY. I shall look forward with interest to hearing those explanations.

Mr. ELLSWORTH. I thank the gentleman.

SPECIAL ORDER GRANTED

Mr. PASSMAN asked and was given permission to address the House for 30 minutes on Wednesday, April 28, following the legislative program of the day and any special orders heretofore entered.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. SMITH of Virginia. Mr. Speaker, I yield 8 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I think at this particular time, with a Department of Agriculture appropriation bill coming up, it might be well to refresh our memories as to what the two political party platforms said in 1952 on the question of parity. I am reading now from the Republican platform:

We favor a farm program aimed at full parity prices for all farm products in the market place.

On the same subject I read now from the Democratic platform. It happened that I was chairman of the committee on platform and resolutions in the 1952 convention. I quote now from that platform with respect to the subject of parity:

Under the present farm program our farmers have performed magnificently and have achieved unprecedented production. We applaud the recent congressional action in setting aside the sliding scale for price support through 1954 and we will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity.

We have witnessed the situation where, instead of aiming at full parity, as the Republican Party stated in its platform, they have gone down on dairy products. We also witnessed an interesting situation of our Republican brethren resorting to the Brannan plan. A specific recommendation has been made in respect to wool, and it appears now that the same situation will be had in respect to butter.

I think this is a very appropriate time to refresh our memories on the promises of 1952. The Democratic Party gave to the farmers the legislation to enable them to withstand the impact of a high tariff. I think we should also call attention to the promises of the Republican Party and show that, instead of aiming toward full parity, they have gone down to 75 percent of parity in the case of dairy products. Also, that they are resorting to the so-called Brannan plan in the case of wool, and indicate that they are going to do likewise in connection with perishable commodities.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HUNTER. The gentleman realizes, of course, that with respect to dairy

products we are operating at the present time under the 1948–49 act, which was drafted and approved by Democratic majority in the Congress and a Democratic President. We hope this year to enact legislation which will make improvements in that law, under which we are operating at the present time.

Mr. McCORMACK. My friend of course thought he was going to devastate me by that observation.

Mr. HUNTER. No; not at all.

Mr. McCORMACK. If the gentleman had been here when the law he refers to became effective he would remember the history of it. This House passed a 90-percent parity support. When it went over to the other branch in the closing days of that Congress the other body put in the flexible price-support program.

Mr. HUNTER. It is not true on dairy products.

Mr. McCORMACK. Then it went to conference. It looked as though nothing would go through because the conferees could not agree. There would have been no extension of parity at all for the farmers. So the conferees extended the 90 percent of parity and the price support, and they had to accept the provisions put in by the Senate, to go into effect in 1954. If that had not been done there would have been no parity at all. So it was one of those forced legislative situations in the closing days of that Congress that we had to meet practically.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HAYS of Ohio. I do not know who is going to be devastated here, but I have a suspicion about who will be in November, because the farmers know that they were promised 100 percent of parity, and the dairy farmers know they are getting 75 percent or less.

Mr. HUNTER. Of course, at no time have dairy products been included under the 90-percent mandatory provision. It has always been the case that dairy products have been under the flexible provision.

Mr. McCORMACK. What have they done?

Mr. HUNTER. It is discretionary with the Secretary, depending on the supply and demand situation. The gentleman realizes as well as I do that we have 1,300 million pounds of dairy products which under the present law require the Secretary of Agriculture to reduce the parity support price. I go back to the fact that this is a Democratic law under which you are operating, Democratic in the sense that it was passed by a Democratic majority in the Congress.

Mr. McCORMACK. The gentleman closes his eyes to the practical fact that the Democratic Party put through the higher parity. It was the Republicans with some Democrats in the other body that put through the provision over there, but it was the Republicans in the main, and it was Senator AIKEN of Vermont that led the fight. It got into conference and in the closing days of the conference, in order to have the farmers, there had to be a submission with the intention later on of trying to correct it. The gentleman's party made this promise in 1952 of aiming toward full parity, yet we have gone down.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I wonder if the former majority leader could explain to us this problem. The President said the Republicans had a moral obligation to continue 90-percent supports until June, 1954. Can he explain how that moral obligation terminated in January of 1954?

Mr. McCORMACK. I will let the gentleman answer it.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman from New York if he wants to rise to the defense of the Republican Party.

Mr. JAVITS. When it is right I do.

I would like to ask the gentleman 2 things, 1, whether he feels that the high, fixed 90 percent of parity supports can be reconciled with a falling net income to the farmer, of which the farmer is complaining bitterly, therefore showing that the policy did not seem to be helping him very much. Second, whether it can also be reconciled with the consumers in the cities paying twice for food, once in taxes and again in the high prices helped to be maintained by these high fixed farm price parities supported by the Government?

Mr. McCORMACK. The gentleman from Massachusetts takes the position that the farm problem is a matter of major national importance. It is vitally important as a national policy that the farmer be given some compensatory considerations. I have no farms in my district. I am viewing it from a national angle. The farmers should be given some compensatory considerations for the tariffs they have to pay. The farmers of America are confronted with the position of buying in a protected market and selling in an unprotected market, especially when it comes to exportable surpluses. Under those conditions, as a national policy and from the practical angle, we must give consideration to the farmer, otherwise, he is going to be gradually liquidated. Of course, it goes without saying that it is a matter of vital importance that we have a sound economy in the United States so far as agriculture is concerned, first, as it contributes to our overall national economy and, second, as it relates to our national defense in a very important way. Because the country without an agriculture in the event of war could be besieged and would be compelled to submit without even a gun being fired on the shores of that country. So I take the broad position from a national viewpoint that it is an unwise leadership that permits our farmers and our agriculture to be put in a position where they have to reduce and curtail their activities until they are finally liquidated. It is vital for the national interests both as regards our economy and our defense and security. I call attention to the 1952 platform of the Republican Party. You cannot get around it, and you cannot laugh it off. I repeat, "We favor a farm program aimed at full parity prices for all farm products in the market place." You cannot laugh that off.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Speaker, since the matter of parity has come into this discussion, I feel compelled to make two or three observations. In answer to the question which was raised by the gentleman from New York [Mr. JAVITS] a moment ago when he asked why it is that the farmers are complaining in spite of the fact that they are continuing yet to enjoy 90 percent of parity, I would like to suggest an answer by using just one commodity as an example. A little over a year ago a steer which would grade "good" at Alma, Ga., my hometown market, sold for 30 to 32 cents a pound liveweight. At that time a sirloin steak at the retail counter cut from that steer was selling for about $1 a pound. Since that time the price to the farmer has been cut almost exactly in half. The price to the housewife has been reduced by a very insignificant amount of 2 or 3 cents per pound. That is, at least, a partial answer to the question propounded by the gentleman from New York [Mr. JAVITS].

Mr. Speaker, I would like to make a further observation. The overriding question, as we are now trying to write a farm program, seems to have to do with the accumulation of surpluses. In that regard, on yesterday I noted where officials of the Soil Conservation Service had cited the current drought situation in the West and the Southwest in particular as being the worst in history. Which leads me to say this, that unless there is some drought relief soon for that whole highly productive section of the country, you will not be concerned with surplus commodities. You may well be concerned before the passage of another year with a shortage. There is another comment I would like to make in the few minutes that I have.

I would like to cite you to the New York Times of Wednesday, March 24, 1954, where this question was propounded to the Secretary of Agriculture:

> Do you think, Mr. Secretary, that the question as between the so-called flexible support program * * * (which has been referred to as a 'flex and fleece' program) and the question of 90 percent of parity on basic commodities should be submitted to the farmers of this country in the form of a referendum and let them decide the question?

Personally, my answer to that question would be "No"; I do not think we should submit that question to farmers any more than we should submit the questions that are currently pending having to do with the Taft-Hartley Labor Law to the people who would be most directly affected by that law. But the thing that struck me was the answer that the Secretary gave. The Secretary said:

> If the farmer had all the facts I would be willing to rely on his judgment.

If the farmers of this country whom I have found to be very intelligent, if they today are minus the facts having to do with the agricultural program, who is responsible for that lack? Who more than the chief agricultural officer of this Nation? If they have been misled or if they have been furnished with a wrong set of facts, or if they have not been furnished with any facts at all, then the chief agricultural officer of this Nation, the Secretary of Agriculture, is responsible for that lack.

I do not mean to imply any intentional withholding of the facts from the farmers by the Secretary but simply mean to say that, after all, he is responsible for furnishing the facts to them. Neither is any personal criticism of the Secretary intended since I am sure that he is utterly sincere in his current attempts to solve the agricultural problems facing American farmers.

(Mr. WHEELER asked and was given permission to revise and extend his remarks.)

Mr. ELLSWORTH. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, everybody in this House by this time knows that I have no farms in my district but I do have hundreds of thousands of consumers.

Mr. Speaker, it seems to me that the grave problem has been that very few people wish to treat the farmer as a political adult. There is a shibboleth about Government price supports at 90 percent of parity not as being necessarily wise but as a useful political slogan, but basing such a policy on slogan does a grave disservice to the farmer and to the city consumer.

In 1948 President Truman campaigned on a policy of low food prices to the city consumers and high, fixed, 90 percent of parity support prices to the farmer. But what has resulted is that the farm areas themselves have suffered seriously in loss of income and the city people have paid very high prices for food.

What is needed is to put a concrete base under the farmer's commodity-price structure which can be done reasonably with flexible parity support prices; have added to it utilization of food surpluses in the hands of the Government as a powerful weapon in our struggle against communism; to facilitate exports and imports and by accepting different products in the United States to help our consumers and by raising imports of other things into our country to enable those abroad to restore our agricultural exports, and finally a greatly increased research program for the greater commercial use of farm products and improved technology. This will really be an adult approach to the farm problem.

In my opinion the President's assurance which he gave at the farm-plowing contest—I think it was in Minnesota—about full parity for farm products in the market place, meant that it would show in the farmers' net income, not by a Government high fixed farm-support program. If the Republican approach is really going to be to use 100-percent parity in the terms of the real income which the farmer gets, then I say that is an honest program both to the consumer who as a worker profits from a prosperous agriculture and to the farmer himself. I am only talking to the substantive merits of the question. The way the matter stands now it is high time people in the so-called farm bloc recognized farmers as political adults just as they pick us to be who represent city consumers. Until you have that situation you are going to have unbalanced, not good, farm legislation.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Georgia.

Mr. WHEELER. The gentleman has suggested that by removing the 90-percent parity support on food items the housewife would pay less. The fact of the matter is if today under the 90-percent support the producer of wheat which goes into a loaf of bread were to donate his wheat to the miller his housewife would pay one-half of 1 cent less per loaf of bread.

Mr. JAVITS. I think the gentleman begs the question, and for this reason: The whole theory of flexible parity is that it will adjust what is produced better to the demands of the market. A high fixed-price parity does not give that adjustment and results in high Government stocks, high prices, and lower farm net income at one and the same time.

Mr. ELLSWORTH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

HAWAII STATEHOOD

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3575) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the Original States, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. MILLER]?

Mr. RAYBURN. Mr. Speaker, I object.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Since the gentleman from Texas [Mr. RAYBURN] has objected to sending the bill to conference, what parliamentary procedure may now be used by the House to get the bill to conference or before this body inasmuch as the House has already passed a Hawaiian statehood bill?

The SPEAKER. In reply to the parliamentary inquiry the Chair will state that the next step of the gentleman from Nebraska would be to try to persuade the Rules Committee to report a rule sending the bill to conference.

Mr. MILLER of Nebraska. The bill now on the Speaker's desk is considered as being before the Rules Committee.

The SPEAKER. No. The bill is on the Speaker's table at the moment.

Mr. MILLER of Nebraska. So how can we get the bill from the Speaker's desk so that the House may consider it?

The SPEAKER. There are two ways to get it from the Speaker's desk. One is by unanimous consent, which has been objected to. The second is ask for a rule from the Committee on Rules.

Mr. MILLER of Nebraska. The gentleman from Texas [Mr. RAYBURN] has objected to sending the bill to conference.

Mr. RAYBURN. Of course I have objected, because it is not the bill that passed the House and I am going to continue to object.

TITLE TO CERTAIN SCHOOL LANDS

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7110) to provide that title to certain school lands shall vest in the States under the act of January 25, 1926, notwithstanding any Federal leases which may be outstanding on such lands at the time they are surveyed, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 8, strike out "royalties" and insert "rents, royalties, and bonuses."

Page 3, line 10, strike out "royalties" and insert "rents, royalties, and bonuses."

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 3 hours, the time to be equally divided and controlled by the gentleman from Mississippi [Mr. WHITTEN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Minnesota.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8779, with Mr. ELLSWORTH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the Subcommittee on Appropriations for Agriculture brings the annual supply bill to the floor for your approval. As chairman of the subcommittee, I want to thank the gentlemen who have worked with me and cooperated in every sense of the word to bring out this bill which we feel assures fair and equitable funds for the realistic approach we must take toward agricultural problems.

The gentleman from Washington [Mr. HORAN] has an intimate knowledge of forestry problems as well as keen interest in the operation and expansion of the foreign agriculture program so vital now as being one of the long-term solutions to the proper disposition of our surpluses. The gentleman from California [Mr. HUNTER] and the gentleman from Wisconsin [Mr. LAIRD] have helped immeasurably in the preparation of this bill during their second year as members of the subcommittee. Mr. WHITTEN, ranking minority member of our subcommittee, as always, has helped develop facts from his keen understanding of agriculture's problems. Mr. CANNON, of Missouri, and Mr. MARSHALL, of Minnesota, have cooperated in every way and helped bring a bipartisan approach to these problems. The bill before you is the closest possible agreement reached by all of the members of the subcommittee.

AGRICULTURE: OUR BASIC INDUSTRY

Our deliberations have been directed, of course, to the basic need of our Nation for a prosperous agriculture. With agriculture as the basis of our economy, and the prosperity of the Nation contingent upon its prosperity, it is not necessary to tell you that we have made every effort to insure the attainment of that end. We in agriculture do not request special privilege. We do ask and demand fair and equal opportunity with labor, industry, and with all other groups who share in America's resources. During my 16 years in Congress, I have fought for 1 principal objective—parity prices for all farm commodities. Let us remember, Mr. Chairman, the farmer's expenses have skyrocketed just as much as they have in all other industries, and he must receive parity prices for what he produces which will maintain his position in our national picture, and which will give him a chance to remain in business. As Members of Congress our No. 1 duty should be to prevent any further drop in farm prices which are barometers of the national welfare. We must restore to agriculture the 10 percent which today it has sunk below an average parity return. We must have the necessary gross national income if we are to continue to meet the huge drains on our Treasury which, because of national defense, will be with us for years to come, and without a prosperous agriculture the necessary national gross income cannot be secured. I repeat, Mr. Chairman, a fair price for farm products is the first essential of a prosperous Nation. Just to illustrate: A drop of 10 cents in the value of a bushel of corn means a loss of $300 to the average farmer in my Seventh District. Twenty cents reduction per bushel for barley will cost him another $200, while a fall of a dime per pound for butterfat will create a deficit of $150. The farmers must have the income if we are to be able to pay current prices for labor and everything we buy.

SUPPORTS VERSUS DEPRESSION

Give the farmers of the Nation at least $35 billions in gross income and we need not fear any economic crisis in our country. The farm dollar changes hands 7 times, creating an income for the Nation of 7 times whatever the farmer receives gross for his products. Take away $1 billion gross from agriculture, the producer of raw materials, and you slash 7 billions gross from one entire economy. This fact is attested to by statistics of years standing in the Departments of Agriculture and Commerce. Our price-support program, coupled with the soil-conservation program, are the most important basically of our farm programs. In this connection, early last year, Mr. Chairman, I introduced 2 bills, one of which would provide for the continuation of our present 90 percent price-support programs on our basics, and the other would include our other storables, oats, barley, rye, flax, and soybeans, under the same program. A severe drop in agriculture prices could possibly cost the farmers of the Nation several billion dollars in 1 year and could result in the creation of unemployment in every community in America. Let us not through the adoption of any price-support legislation of less than 90 percent of parity grease the skids for a depression.

God help our Nation if any such catastrophe should happen again. A severe fall in farm-commodity values is so absolutely unnecessary that it is almost criminal to permit its recurrence. All we need do is keep farm income at a reasonable level and the gross income for the rest of the Nation will, as a matter of course, keep its own relative position.

COST OF SUPPORT PROGRAM

May I respectfully suggest that too many Members on the floor of the House have imbedded in their minds that the farmers, that agriculture as such in America, are the recipients of huge subsidies, paid for by the other taxpayers of this Nation. Nothing can be further from the truth. Please let us orient our line of thinking here before we proceed. May I ask you to turn to part 1 of our hearings, page 122, and study carefully that table as given there.

During World War II there was paid out of the Treasury of the United States $4.2 billion for the sole purpose of bringing to the consuming public cheaper food. This is the reverse of the expenditures to support the price of farm commodities. Since 1933 through November 30, 1953, the cost to the Treasury of the United States in what might be classified as farm price supports was $1,194,800,000. In other words, since 1933 up to this date, about one quarter as much money has been expended in behalf of keeping up the price for the farmer in America as there has been expended for holding down the price of food to the consumer. Let us remember also that if OPA rollbacks on pork, beef, veal, lamb, and mutton, let alone butter and milk products, had not been put into effect during World War II, farmers of America would have during that time received at least $10 billion more for their products than they did. Furthermore, through expenditure of $1,194,800,000 during the last 20 years for price supports, at least 10 times that amount has been paid as additional income taxes by farmers because of their having that degree of protection and as a result a degree of prosperity approaching that of other portions of our economy. Business as such was subsidized by the taxpayers to the extent of $40,787,864,000 following the end of World War II in what was known as business reconversion payments—including tax amortization.

WHAT THIS BILL CONTAINS

This bill before us includes $698,410,313 for direct annual appropriations for regular activities; $321,500,000 for loan authorizations for the REA and the Farmers Home Administration; $331,500 for special activities and limits administrative expenses for the Farm Credit Administration to $6,250,000, in addition to an administration limitation of $18 million on Commodity Credit. The amount recommended for the regular activities of the Department is $36,282,126 below funds available for 1954 and loan authorizations proposed are $64 million below authorizations for 1954. The administrative expense funds recommended for the Farm Credit Administration are $89,500 over 1954 authorizations.

SOIL CONSERVATION SERVICE

As any thinking person knows, Mr. Chairman, we are utterly dependent upon the quality of our soil. This is a hard, cold fact that many of us do not give the proper consideration. It is such an elementary fact that many of us take it for granted without realizing how important it is that its productivity must be kept in balance. To accomplish that vital end good soil-conservation practices must be followed and our subcommittee, realizing the absolute necessity for the maintenace of this resource, restored a little over a million dollars beyond the budget request to prevent the closing of approximately 90 area offices and reinstated $2,190,000 to provide for 76 new districts which will come into existence during the current fiscal year as well as the 67 expected in fiscal year 1955. The subcommittee also restored the cut of $1,243,000 proposed for the flood-prevention work of the Department. I take great personal pride, Mr. Chairman, in the item for $5 million for what is known as the Anderson-Hope watershed protection program, which, as you know, was initiated in my amendment to the agricultural appropriation bill last year and which provided $5 mil-

lion for this program to begin construction of these pilot plant projects. Sixty-two projects throughout the Nation are now well under way.

As many of you know, this program alleviates the serious loss of productive land caused through soil erosion and floods which will, when the program can be expanded sufficiently, return these areas to needed production, and is regarded as one of the most important steps taken in the way of soil conservation in the last 50 years. The Andersen-Hope watershed-protection program requires, as a condition to Federal assistance, that local organization shall, first, furnish without cost to the Federal Government all easements and rights-of-way needed in connection with works of improvement installed with Federal assistance; second, to carry out all of the land-treatment practices and to meet certain other requirements adding up to about 50 percent of the total cost. The necessity for this program was apparent and experience in dealing with conservation projects authorized in flood-prevention and flood-control laws demonstrated that these laws were too cumbersome to apply to smaller watershed areas.

BUDGET REQUESTS

The budget presented to the subcommittee contained large increases for the research and extension activities and substantial decreases for the various action agencies of the Department.

Increases over 1954:	
Research programs of Department	+$4,417,000
Payments to State experiment stations	+5,732,000
Extension Service	+8,305,436
Total	+18,454,436
Decreases below 1954:	
Forest Service	−2,015,908
Soil Conservation Service	−5,369,279
Federal Crop Insurance Corporation	−1,750,000
Rural Electrification Administration	−469,250
Farmers' Home Administration	−4,487,000
School-lunch program	−15,236,197
Disease and pest control	−2,920,650
Inspection and grading of commodities	−519,553
Total	−32,767,837

COMMITTEE ACTION

The subcommittee agreed to a portion of the increases proposed for the research and extension programs—about 30 percent of the increase requested for the State experiment stations and 45 percent of funds of payments to States for the Extension Service. With the exception of the Foreign Agricultural Service the only increases over 1954 in the entire bill are for research and extension work.

Increases over 1954:	
Research programs of Department	+$708,500
State experiment stations	+1,732,000
Extension Service	+3,581,950

At the same time, the subcommittee has restored a portion of the cuts recommended in the budget for the action programs as follows:

Increases over 1955 budget:	
Forest Service	+$683,454
Soil Conservation Service	+4,510,671
Rural Electrification Administration	+200,000
Farmers' Home Administration	+1,500,000
School-lunch program	+9,011,416
Disease and pest control	+2,461,380
Inspection and grading	+220,000

FOREST SERVICE

The action of the subcommittee with reference to the Forest Service, reinstates all but $75,000 of the cut for the cooperative programs with the State and private landowners on fire control, tree planting, management and processing, and white pine blister rust control. It also restores most of the funds for reforestation and range revegetation eliminated by the budget. The action with respect to the school-lunch program will restore about 60 percent of the budget cut of $15 million for purchases under section 6 of the National School Lunch Act. The subcommittee feels that, since such necessary commodities as fruit and vegetables will probably not be available from section 32 inventories, these funds must be restored with budget limits.

CONTROL PROGRAMS

In connection with the various insect-control programs the subcommittee has restored the full amount of the cuts proposed in the budget for the following: Japanese beetle, sweetpotato weevil, phony peach and peach mosaic, barberry eradication, pink bollworm, golden nematode, white-fringed beetle, gypsy moth. It has also restored all but $19,100 of the cut for grasshopper and mormon-cricket control.

INDEMNITY PAYMENTS

The subcommittee also has restored the budget cut of $673,500 for indemnity payments under the TB and brucellosis control programs. Further, it has added $200,000 more new funds with a stipulation that a minimum of $1 million be set aside for this purpose in 1955. The health of the Nation is directly affected by these animal diseases. Also such payments serve as an inducement to dairy farmers to cull their herds of a larger percentage of the reactors than in the past, in view of declining income from dairy products.

The $220,000 was reinstated for commodity inspection to prevent the further increase in inspection fees for fresh fruits and vegetables from $9 to $12 per car. Since this is a voluntary inspection to assure good shipping and marketing practices and since these fees have been doubled in the past few years, the subcommittee fees that further increases in inspection fees are inadvisable.

DIVERTED ACRES

On February 2, 1954, the gentleman from Minnesota [Mr. MARSHALL] and I introduced identical bills which would provide authorization for the Secretary of Agriculture to establish policies and programs for the use of acreage diverted from production by the establishment of acreage allotments. The subcommittee recognizes the urgent need for the adoption of a program designed to remove acreage from crop production and the placing of these acres in a soil-conserving reserve status. This will not only be an effective means of reducing further accumulations of commodity surpluses but will also contribute to a balanced program of farming needed to assure a productive agriculture which, in the near future, will be called upon to meet the increased food requirements of a population growing at the rate of 2.6 million per year.

Because of my awareness of the critical importance of good soil conservation practices and the expansion of this vital program, I urged that my subcommittee be prepared to supplement the $55 million provided in our bill after the diverted acreage program is determined. In view of their agreement to this plan, we have included the budget estimate, $55 million, in our bill and as stated, will supplement this amount later, with the development of the final program.

RURAL ELECTRIFICATION

Our subcommittee has recommended $100 million for rural electrification loans for 1955, an increase of $45 million over the budget request. This amount, together with an estimated carryover of $45 million, probable recisions of $5 million, and a contingency fund of $35 million will make a total of $185 million available for electrification loans during the coming year. Mr. Chairman, every dollar invested in bringing electricity to a farm multiplies itself 3 or 4 times in additional business to the local communities and towns. This program, up to last year, had created at least $8 billion worth of initial new business, strictly as a byproudct of bringing farmers central station service. As anyone familiar with my record in Congress knows, I have always supported this program so important to the progress of agriculture. The splendid repayment records of our rural electrification associations are a great source of pride to me and are conclusive proof of the willingness and ability of the American farmer to make the most of any aid or assistance offered to him.

My subcommittee increased the budget estimate for the rural telephone program by $7,500,000. The rapid increase in telephone applications being received requires additional funds over the current level, in order to avoid restricting this program in any way. Mr. Chairman, I will not be satisfied until every farm home in America has the benefit of telephone service, a convenience many of us would be lost without but which, for the most part, was not the general thing until this fine program was developed.

My subcommittee feels that adequate funds should be made available each year to meet bona fide applications. These amounts are provided in the form of authorizations to borrow from the Treasury, rather than as direct appropriations, and therefore are merely ceilings on amounts which may be drawn from the Treasury at such time as loans are approved. Since unused loan au-

thority has no effect on the national debt, and since amounts borrowed are eventually repaid to the Treasury with interest, it is believed to be wise policy to provide borrowing ceilings which are high enough to meet all legitimate loan needs.

FARMERS HOME ADMINISTRATION

Mr. Chairman, our subcommittee was very much disturbed with the severe reductions proposed by the Department at the field level in the Farmers Home Administration program and restored $1,500,000 in an effort to offset them. In the committee's opinion, these reductions would have had the effect of rendering the entire program ineffective and thereby jeopardize the Government's investment of three-quarters of a billion dollars in this activity.

The Farmers' Home Administration performs the following activities: First. It makes direct farm ownership loans to farm tenants, farm laborers, sharecroppers, and other individuals, for the purchase, enlargement, or development of family-size farms; second, it insures 40-year farmer ownership loans made by private lenders up to 90 percent of the normal value of the farm and necessary improvements; third, it makes production and subsistence loans to farmers and stockmen for farm operating expenses and other farm needs, including the refinancing of indebtedness and family subsistence; fourth, it makes loans for the construction, repair, or improvement of water facilities in the arid or semi-arid of the 17 Western States; and fifth, it makes emergency loans to farmers and stockmen in designated areas where a disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

The loan authorization recommended for 1954 includes $19 million for farm-ownership loans, $120 million for production and subsistence loans, and $6,500,000 for water-facilities loans. This is a decrease of $36,500,000 below funds available for 1954; $16,500,000 of which is for farm-housing loans for which basic legislation expires June 30, 1954, and $20 million of which is a special fund for production and subsistence loan funds made available last year in connection with the emergency drought relief authorization included in Public Law 175. If further needs for these two programs develop at a later date, it will be necessary to handle them as supplemental requirements.

The increase of $1,500,000 for salaries and expenses has been added to assure adequate personnel in State and county offices to provide needed assistance to the borrowers and to maintain adequate protection of the Government's investment of around $750 million in this program. The committee has been impressed with the record of the Farmers Home Administration in assisting low-income farm families to become established in enterprises that are economic and sound, and feels that its success is due to the fact that it has actively supervised the loans it has made. The making of loans to properly safeguard the borrower's interest and the security of the Government demands careful scrutiny, good judgment, and a complete understanding of farm and home management.

The Congress has over the years approved the supervised lending program of this agency, and the committee felt that adequate personnel of the State and county level concerned with the supervisory aspects of the agency's programs must be maintained. The committee was concerned with the department's proposal that the number of district supervisors be lowered. We feel that the employment of personnel with training and knowledge of market values, farm and home practices and good judgment protects the interests of the Government, leads to sound economic loans, and encourages better farm-family living. This is particularly true in a period of declining farm prices and small operating margins for the agricultural producer.

Testimony received during committee hearings indicated that it was the Department's plan to utilize the home demonstration agents of the Extension Service to perform the functions which have been provided by home supervisors of FHA. The committee felt that this was not a practical proposal, since the type of people served by the Extension Service are not the same as those which utilize the facilities of the Farmers Home Administration, the objectives of the two programs are not the same, and the training and background of the personnel of the two agencies is not the same. The committee also felt that an adequate number of appraisers must be maintained to make certain that the program is operated on a sound basis. In this connection it should be pointed out that a loan program of this type, which has such an outstanding repayment record, is far more desirable and less costly to the taxpayer than an outright relief program which would be the only alternative. Remember, too, that thousands upon thousands of young veterans have, through the Farmers Home Administration, been able to get a start in farming.

EXTENSION

The subcommittee has recommended $3,266,235, an increase of $220,000 over the funds provided for 1954, for the Extension Service. The function of the Extension Service is to take the results of the agriculture research programs conducted by the Department of Agriculture and by the State agricultural college and experiment stations to our rural people in a manner that effectively meets the farm and family needs. The Cooperative Extension Service is financed from Federal, State, county, and local sources. The funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialist, and others who conduct the splendid educational program among our rural people.

RESEARCH-EXTENSION INCREASES

Mr. Chairman, it will be of interest to the membership to know that the only increases above 1954 in our bill are for research, foreign agricultural service, and the Extension Service, the experiment stations, which are a part of this fine program.

The budget presented to our subcommittee indicated sharp curtailment of the so-called action programs of the Department with strong emphasis on research and extension activities—the educational programs.

Our committee has a long record of support for research and educational programs of the Department of Agriculture, Mr. Chairman. It agrees that these programs must be kept strong and effective to develop new and wider use of research results on the farms of the Nation. A few years ago, the committee made a determined and successful effort to increase the funds for the Extension Service by several million dollars. The committee initiated the action which resulted in the adoption of the legislation last June which removed the appropriation ceiling for the Extension Service. Further, the committee was successful last year in adding $1,700,000 to the research appropriation of the Department. In our bill today, we have gone along with increases for research and extension as far as possible within budgetary limitations. As I stated, Mr. Chairman, approximately 30 percent of the increase proposed in the budget for the State experiments stations is included in our bill. Over 45 percent of the increased appropriations recommended for the Extension Service have been approved.

ACTION PROGRAMS

The committee could not, however, agree to the Department's recommendation for the reduction of the action programs which will hold the line until additional research and education has provided better answers to the Nation's many problems on the farm. The severity of problems resulting from prolonged drought and loss of farm income make it imperative that administrative funds for the Farmers' Home Administration be maintained somewhere near existing levels. Due to the need for some central authority to coordinate insect-control programs and provide uniform quarantine regulations, the committee believes it inadvisable to sharply curtail these programs. Neither could it agree with the Department's proposed elimination of funds for indemnity payments for the control of tuberculosis and brucellosis of cattle. No agreements or other arrangements have been made for the States to take over these insect and disease-control programs if they could handle them.

FOREIGN AGRICULTURAL SERVICE

Mr. Chairman, it is imperative that we find new foreign markets for our farm products. Foreign-market promotion will aid materially in the distribution of our surpluses, and it is hoped that our former foreign markets can be recaptured. The present domestic situation of American agriculture requires that every possible avenue of marketing be explored and developed. The surpluses now in storage must be moved and those to be produced this year must have a ready market at home or abroad, when they become available.

Mr. Chairman, the total appropriations included in the bill for the regular activities of the Department are the

same as the amount recommended in the 1955 budget. This is an overall reduction of $36,282,126 below the appropriations for the current fiscal year, a cut of nearly 5 percent. The committee has gone along with this reduction, in view of the urgent need to curtail Federal expenditures wherever possible. It believes, however, that this is a rather substantial cut in view of the fact that the appropriations for the Department of Agriculture have been carefully held down through the years.

SOIL CONSERVATION—ACP

As has been the practice for a number of years, two figures are carried in the item for the agricultural conservation program. The first figure provides for an appropriation of $191,700,000 to pay off commitments made during the current crop or calendar year under the announced program of $195 million carried in the bill last year.

The second figure authorizes a program of $250 million for the 1955 calendar or crop year. This amount is not an appropriation. It is merely a limitation on the size of the program the Secretary of Agriculture can announce next fall with reference to the crop year for 1955. In effect, it determines the level of the appropriation in next year's bill—for fiscal year 1956—which will be needed to meet the commitments made to farmers under this advance authorization or limitation.

The program provides for a reimbursement to farmers for a portion of the funds they expend for approved soil conservation practices on their land. The average share covered by the Government runs about one-third. In other words for every $3 the farmer puts on his land, he is reimbursed $1 through this program. The percentage of Government financial participation varies for the different practices in the various parts of the country. On the overall average, however, it is about one-third.

The assistance under this program is offered only for those practices considered necessary to meet the most urgently needed conservation problems on the farm. Further, it is not offered unless it is believed that farmers will not perform the work without such assistance.

SUMMARY

Mr. Chairman, I will not take any more time to discuss our committee report. You can see for yourselves what we have done for research in other fields, for the Bureau of Human Nutrition and Home Economics, the Bureau of Animal Industry, the Bureau of Dairy Industry, the Bureau of Agricultural Industrial Chemistry, the Bureau of Plant Industry, Soils and Agricultural Engineering, and the Bureau of Entomology and Plant Quarantine. You can examine into our decisions relative to the Forest Service, the Federal Crop Insurance Corporation, and the Farm Credit Administration.

I thank the House for the attention that has been given my discussion of our bill and hope that our recommendations will receive the approval they have been granted during past sessions.

I will now welcome any questions which the Members might care to ask before relinquishing the floor, Mr. Chairman.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 53]

Allen, Ill.	Fino	O'Brien, Mich.
Ayres	Frelinghuysen	O'Brien, N. Y.
Barrett	Friedel	Osmers
Battle	Gamble	Patman
Bentley	Garmatz	Patterson
Betts	Gordon	Philbin
Bishop	Granahan	Powell
Bosch	Grant	Radwan
Bowler	Green	Reece, Tenn.
Boykin	Gwinn	Reed, Ill.
Buchanan	Hagen, Minn.	Rhodes, Ariz.
Buckley	Hale	Richards
Busbey	Hand	Roberts
Carlyle	Hart	Rogers, Tex.
Carrigg	Hays, Ark.	Roosevelt
Celler	Hébert	St. George
Chatham	Heller	Scherer
Chelf	Hoffman, Ill.	Scott
Chiperfield	Holifield	Shafer
Chudoff	Holtzman	Sheehan
Colmer	Ikard	Sieminski
Condon	Jonas, Ill.	Sullivan
Crosser	Kearney	Sutton
Curtis, Mass.	Kee	Taylor
Curtis, Mo.	Kelley, Pa.	Thompson, Mich.
Davis, Tenn.	Kelly, N. Y.	Tuck
Dawson, Ill.	Keogh	Velde
Delaney	Kersten, Wis.	Vinson
D'Ewart	Klein	Vursell
Dies	Knox	Weichel
Dingell	Lane	Wharton
Dodd	Latham	Widnall
Dollinger	Lucas	Williams, N. Y.
Donohue	McConnell	Wilson, Calif.
Donovan	McCulloch	Wilson, Tex.
Elliott	Miller, Calif.	Withrow
Evins	Morgan	Yorty
Fallon	Multer	
Fine	O'Brien, Ill.	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ELLSWORTH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8779, and finding itself without a quorum, he had directed the roll to be called, when 310 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. SHORT. I should like to take advantage of this opportunity to congratulate the chairman of the subcommittee and the members of his committee on bringing in this splendid report, particularly as it refers to the Rural Electrification Administration. I am glad you have increased the sum by $45 million.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. SHORT. I also notice that you have increased the sum for rural telephones by $7,500,000.

Mr. H. CARL ANDERSEN. We have increased the level for rural telephones above fiscal 1954 by that sum, but not above the budget. The budget requested the $75 million, and we agreed to that request.

Mr. SHORT. I am very grateful to the gentleman that there is no cut in that item.

Mr. H. CARL ANDERSEN. Further, we increased the administrative expense appropriation for REA by $200,000 over the budget in anticipation of the additional work which would fall to them because of these increased loan authorizations we have made available.

Mr. SHORT. I think we all feel that, regardless of which side of the aisle we sit on, the REA and the rural telephones have been one of the soundest investments we have made. It has done more to add to the comfort and the progress of the people in our rural areas than any other Government agency.

Mr. H. CARL ANDERSEN. I am sure that the majority of the Members of the House feel, as you have just stated, that this is a nonpartisan issue. This is one of the greatest programs that has ever inured to the benefit of the farmers. I sincerely hope that it will be carried on to the degree necessary to try to get to that point which we have all been driving at, and that is, to bring electricity as far as possible to each and every farm home in American.

Mr. SHORT. I might say to the gentleman that with some of the dams that have been approved, which are sound both from an engineering and economic point of view, we will have additional power at lower cost.

Mr. H. CARL ANDERSEN. I might mention at this point that if the average bank in America could do its financing with the assurance of as little loss as has accrued on this approximately $2,700,000,000 of rural electrification loans, that bank would consider itself, indeed, fortunate. The repayment record of the more than 1,000 REA associations in America has been splendid. I hope that record will continue through the years to come in this great program.

Mr. SHORT. I appreciate very much the gentleman's statement. I would like to ask a question about another item in the bill. Has your committee cut the amount which was recommended by the administration and the Bureau of the Budget, which is to be spent on the Agricultural Extension Service which, in my opinion, is another very valuable activity of the Government, and which I would like to see remain at the amount which was recommended.

Mr. H. CARL ANDERSEN. My subcommittee has been one of the best friends in the Congress through the years in behalf of the Extension Service. If you will recall, Mr. WHITTEN, Mr. HORAN, Mr. CANNON, and I have been very insistent in the past on gradually pushing up the level of extension work, and it is due to our subcommittee that the law now in effect was enacted, which lifted the ceiling on this particular program. However, the budget requested of us a very considerable increase. We were unable

to meet that increase for payments to States for extension work in its entirety. We have done the very best we can. I want you to know that we have given to the Extension Service the sum of $3,361,950 above the 1954 level and an additional $220,000 for Federal expenses. About $3½ million more than the Extension Service has ever had is contained in this particular bill. We have also given as payment to States for experiment stations more than they have ever had, an additional $1,752,000 above the 1954 level. I think we have been very generous to these particular program.

I could not agree on the entire $7½ million proposed increase for extension service, if at the same time it meant that we would be bringing to the floor of the House a bill which is unbalanced. My subcommittee joined with me in the feeling that we had to help the Soil Conservation Service staff its new districts. We had to find the money for 143 soil conservation districts which have been brought into being in the last 2 years, and for which there was no money in this particular budget which came before us. We cannot expect an impossible job from our technicians in soil conservation by loading onto them 143 new districts without giving them additional personnel. Yet that is what the budget has suggested and at the same time requesting $7½ million more for extension than it ever had before. Where were we going to find that $4,500,000 for Soil Conservation Service? We met these increases in part by taking a portion away from extension and experiment stations. We split the difference, so to speak, between the Soil Conservation Service on the one hand and Extension Service on the other and brought in $3,581,950 increase above the 1954 level for Extension, but no increase at all above the 1954 level for the Soil Conservation Service. We have tried to do the best we could; we have tried to give ample money for the school lunch program; we have found money for the forest research program, money to take care of the Farmers' Home Administration, to take care of the control programs, to pay indemnities for brucillosis and tuberculosis eradication.

And in doing so, Mr. Chairman, we could not go the whole way in the request by the budget to allocate a huge sum of money in any one year for Extension work much as we might think of Extension work and much as I do think of it personally. We feel that in giving Extension $3,581,950 more than this fiscal year, we have shown our high regard for this great program.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Kansas.

Mr. HOPE. Mr. Chairman, I believe the committee has done a very fine job in bringing in a balanced bill. I am sure that the Members of the House know of my interest in agricultural research and education. But since the committee was bound by the limitations of the budget I think they have given a fair increase to the Extension Service and to research and at the same time have rounded out some of the other items to a place where the department can carry out effective programs.

Mr. H. CARL ANDERSEN. May I say to the gentleman from Kansas [Mr. HOPE] that I appreciate his statement. In that regard I want to call the committee's attention to certain things. There are 4 points in this bill, Mr. Chairman, where we have gone above the 1954 level; 2 of them are extension and State experiment stations. The other two points are as follows: The Foreign Agricultural Service, which is opening up a new field for the disposition of surplus commodities throughout the world. We felt that we must now and will in the future continue to develop it as much as is possible without waste; secondly, we raise research programs by $708,500. You may say that is a very modest increase; but, after all, we do have $61½ million in this bill for research in all forms. Remember, we gave State experiment stations an increase above 1954, an increase of $1,733,000. Lastly, we have allotted to our great Extension Service, which means so much to the 4-H Club children, and all farmers in America—and this has meant much to me personally on my own farm—an increase above 1954 of $3,581,950.

Those are the four items we have raised above the 1954 levels, and I think it would be decidedly unwise, Mr. Chairman, if we were to unbalance this bill, so to speak, and increase perhaps some of these programs too much and leave others stranded for lack of sufficient funds.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri. He has always been a great supporter of all of these farm programs during his many years in Congress.

Mr. SHORT. Certainly I do not want the gentleman from Minnesota and the gentleman from Kansas to think I am critical of their committees because in my opinion the overall picture is a good one and they have done an excellent job. There are no two Members of the House who are better friends of the American farmer than are the gentleman from Kansas [Mr. HOPE] and the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. I wish the gentleman would add the gentleman from Mississippi [Mr. WHITTEN] and all the members of my subcommittee to that statement.

Mr. SHORT. Here is the reason I raised the question. I do not need to remind the gentleman that vast sections of our country, and particularly in my district and my whole State, have been burned up by the most devastating drought in all history. With the price of milk being reduced from 90 to 75 percent of parity that has doubly created a hardship. The University of Missouri has two of the best colleges in the country, one journalism and the other agriculture and it has done such a marvelous job in its extension program that I hope the gentleman's committee will be as generous as it has been in the past and that you will if need calls for it vote for increased appropriations next year.

Mr. H. CARL ANDERSEN. The gentleman brings to mind something else that the subcommittee has done. We have taken care in a large sense of the problems facing you people out in that drought area by not only putting in the large fund of $120 million for Farmers' Home Administration loans but we also feel that if the situation warrants it, my subcommittee will be glad to take into consideration in a supplemental request whatever might be necessary in the line of production and subsistence loans for the drought regions, should that situation become bad again.

Mr. SHORT. I want to thank the gentleman once more for the fine job he has done and point out that while you have not perhaps voted all that has been requested, you have kept the program in balance and you have voted more for this Extension Service in the pending bill than has ever been voted heretofore.

Mr. H. CARL ANDERSEN. I thank the gentleman. There is one fundamental, basic thing that we on the Appropriations Committee are faced with like each and everyone of you ladies and gentleman here today. We must keep this Nation of ours sound financially, which means simply that we cannot give to even the programs that we think the most of everything that they come to us and ask for. Sometimes I must say "No" to my sons. In this case I must say to Extension that it is asking too much in one single year's increase.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. I too would like to compliment the distinguished gentleman from Minnesota and the members of the subcommittee for saving the rural electrification program from annihilation; also for making it possible to implement and increase the acivities of our rural telephone program.

Mr. H. CARL ANDERSEN. Let me say, first, I do not think we saved the program from annihilation. I think it would have been continued. There is no move on foot that I know of to annihilate it.

Mr. BAILEY. It would have been under considerable handicap.

Mr. H. CARL ANDERSEN. Yes, I may agree to that extent. Certainly none of us want to see REA put into a straitjacket for lack of loan funds. As long as I am a Member of Congress I shall do everything possible to help this great program, which has revolutionized life on millions of farms in America.

Mr. BAILEY. In your committee report accounting for the Appropriations Committee failure to meet the current year's appropriation, you referred to the use of $45 million as a carryover from unexpended funds. Was that just a carry-over from unexpended funds for 1954, or was it 1953, or was it accumulated over a period of years?

Mr. H. CARL ANDERSEN. Undoubtedly it was accumulated over the last few years. In addition, they have a

contingency fund of $35 million which has not been utilized, and they also have $5 million in old loans, which will not be required and have been pulled back into the fund.

Mr. BAILEY. Does the gentleman think that will be adequate to meet the loan demands in the field?

Mr. H. CARL ANDERSEN. I feel they will be, and if it can be proven to me next spring that they are handicapped or strapped in any way by not having sufficient loan funds, including generating plant funds, I will be the first to advocate bringing in a supplemental along that line.

Mr. BAILEY. I thank the gentleman.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Ohio.

Mr. BOW. I want to join with the others in commending the gentleman and his committee for a very fine bill. Although you have increased the amount for the Extension Service but not having met the budget request, I would like to ask the gentleman this question: Will any of the present services of the Extension Service be curtailed by not having met the budget request?

Mr. H. CARL ANDERSEN. As far as I understand, each and every one of them will be increased all along the line in probably every congressional district in America because of this increase of $3½ million we put in the bill. Remember that this amount is more than ever before made available as Federal assistance to the States for extension work.

Mr. BOW. I thank the gentleman.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Iowa. He has always been a splendid friend to agriculture and I recall his many appearances before our subcommittee.

Mr. TALLE. I should like to say to the gentleman from Minnesota and the members of his committee that I am immensely pleased with the work they have done through the years. It has been a delight for me to appear before the committee. I have always been received with courtesy, and it is my firm conviction that, throughout the many years I have had the opportunity to serve in the Congress, this subcommittee has done an excellent job. It is doing an excellent job now.

Mr. H. CARL ANDERSEN. Might I say to the gentleman, in answer for our subcommittee to the compliment, that we have sat through a good many weeks listening to the rather tedious testimony at times, and wo do try to be courteous to everybody coming before us and listen to what they say with attention. I thank the gentleman.

Mr. TALLE. Mr. Chairman, if the gentleman will yield further, I should like to emphasize the great importance of the work of this committee; important, not only to agriculture as an industry but to our Nation as a whole. It has a very large responsibility, and this committee is meeting that responsibility in a grand manner. If I may single out another very important service in addition to REA, research, and education, which have received well-deserved notice here today, I want to say that this committee has done a good job in dealing with the Forest Service, which I regard as one of the most efficient and worthwhile agencies of our Government. I congratulate the chairman and his committee on this well-balanced program.

Mr. H. CARL ANDERSEN. I thank the gentleman. I agree with the gentleman.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from North Carolina.

Mr. DEANE. I join with my colleagues in expressing to the gentleman from Minnesota and his committee our personal thanks for the way they have come to grips with the overall agricultural problem insofar as it requires money to carry on. I am particularly grateful for the language that the gentleman called special attention to with reference to the REA's; that this committee feels that the Administrator's authority to provide loans for power generation should be fully utilized, if necessary, in order to assure adequate power to REA cooperatives on a reasonable basis.

Mr. H. CARL ANDERSEN. I thank the gentleman. He has always supported REA to the best of his ability.

Mr. DEANE. That is a question I would like to ask the gentleman.

Mr. H. CARL ANDERSEN. Our able Administrator, Mr. Nelson, from the State of Minnesota, came to our subcommittee and asked us for directives along certain lines as to how we thought he should approach the responsibilities of his new and very important position. This is the only directive that we have placed in this particular bill relative to REA. We tried to tell him very bluntly that if the power is not available at reasonable rates for the REA associations—and that is why I bring it out here again today—that the money shall be made available for loans for generating plants to create that power, and I, for one, will always stand back of that language. We do not want the REA hamstrung by any deficiency in power anywhere in the United States.

Mr. DEANE. I want to tell the gentleman how grateful I am, because in certain places I am constrained to feel that some of the power companies are not wheeling this power as they should, and I hope that this language will cause these organizations to think strongly about entering into fair and reasonable contracts.

Mr. H. CARL ANDERSEN. This subcommittee is trying to be fair both to the private utilities and everybody concerned, but we do feel that we have this basic responsibility to protect the interests of the farmers of America. After all, this is an appropriation bill for agriculture, for the great Department of Agriculture, which affects so closely the lives and interests of everybody on the farms in America. By doing justice to agriculture, we help all of the people of America. I repeat here my creed as to our national welfare and that is, that we cannot have a prosperous Nation without a prosperous base, agriculture, as its foundation.

Mr. DEANE. If the gentleman will yield further for one other question, it concerns the Farmers Home Administration. I know that as of the time that the committee was considering the farm housing loan, the basic legislation was expiring, as of June 30, 1954, for the rural housing program. I express the hope that as the appropriation bill for agriculture proceeds through the House and the Senate that the Bureau of the Budget will see fit to come forward with a recommendation for the rural housing program which, I understand, is not included in this bill.

Mr. H. CARL ANDERSEN. If such a recommendation does come from the Bureau of the Budget before we go to conference, I, for one, shall be very glad to do what I can to have it considered.

Mr. DEANE. I thank the gentleman.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Kentucky who has on many occasions manifested his great interest in the welfare of the farmer.

Mr. GOLDEN. I wish to join with many other Members in complimenting this subcommittee. I feel that this bill is one of the most important we will have before us; that it will do as much to sustain the economy of all the people of the United States as any other bill we will have. I think the committee have used foresight and are to be sincerely complimented.

Mr. H. CARL ANDERSEN. I thank the gentleman. I might say that some of us on this subcommittee have been in Congress for 16 years. Mr. CANNON has been here more than that. We feel that we have some knowledge of the problems of agriculture and through the years we have assimilated much information of that kind. We do not consider the budget in any sense sacred. After all, we Members of Congress are not simply to be told what to put in the budget, by anybody. We are here for the purpose of using our own good, sound judgment. And that is what we tried to do in this bill.

Mr. GOLDEN. There are things in this bill that will sustain the people of the cities as well as those who live on the farms.

Mr. H. CARL ANDERSEN. That is absolutely right. A productive agriculture is essential to all city people. Otherwise, the price of food will be prohibitive and starvation would be rampant.

Mr. GOLDEN. There is a problem in my district common to most districts that contain our national forests. We have an immense amount of timber that gets ripe and ought to be marketed. It is necessary for the Forest Service to put personnel in to mark that timber and designate what is ready to come out. I am wondering if there is anything in the bill to take care of that service so that they may carry on those operations that have been so successful in the past.

Mr. H. CARL ANDERSEN. On our own volition, with respect to that specific item, we placed, above the budget esti-

mate, about two-hundred-and-twenty-thousand-odd dollars for forest management.

Mr. GOLDEN. That is what I understand, and I think that is just another example of the great knowledge of this committee of the needs of this country. The experience of the committee in the past has taught them that a little money used in this specific activity will return a great deal of money to the Forest Service and to the people of the United States. For instance, in my home district, with a very few thousand dollars we will be able to cut several hundred thousand dollars of timber, and 25 percent of that goes to our counties. We will be able to return many, many fold the small sums which are put in the bill on the initiative of the gentleman's subcommittee, for that very useful purpose.

Mr. H. CARL ANDERSEN. I will say to the gentleman that we go on this assumption. There is no use letting good timber go to waste in the vast reaches of our national forests. We have put in here money, above that which the budget had included, for scalers to do what is necessary so that much of this timber can be sold before it becomes overripe. We have also allocated better than $14 million for access roads, as much as we had in 1954, to get this timber out. I think it is good business.

Mr. GOLDEN. It does not cost anybody anything and, in fact, it returns money.

Mr. H. CARL ANDERSEN. That is right. In the long run it will return additional money to the Treasury.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Colorado. He has led the fight in many instances for much legislation beneficial to our basic industry we are discussing today.

Mr. HILL. I should like to call the attention of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] to page 13, line 11. I might say, before the gentleman answers my question, that the committee has done an excellent job on this bill. I know that it is a difficult thing to find out where we should cut and where we should increase. But this is one particular case where I think we should add to. On page 13, line 11, we set aside $6,170,564 for fighting forest fires, control of forest pests, and forest research. That is a reduction.

Mr. H. CARL ANDERSEN. I will say to the gentleman that that does not include fighting forest fires. That is on line 6, page 12, $6 million; the usual $6 million.

Mr. HILL. I stand corrected.

Mr. H. CARL ANDERSEN. The figure the gentleman mentioned has to do with forest research, that is all.

Mr. HILL. Therefore, that fund is $357,936 lower than the Bureau of the Budget recommended?

Mr. H. CARL ANDERSEN. Yes, but we placed in that fund $59,000, if I recall correctly, above what is available in 1954. That is the figure that tells the story. I think what we have done insofar as any particular bureau is concerned, the decisive thing, is in relation to 1954 levels. In this instance we have increased forest research by $59,000 or thereabouts. May I ask the gentleman from Wisconsin [Mr. LAIRD] if that figure is correct?

Mr. LAIRD. The figure is $57,900.

Mr. H. CARL ANDERSEN. I was not far off.

Mr. HILL. That is for one separate item.

Mr. H. CARL ANDERSEN. That is for the entire general forestry item you refer to. Also, remember this. The Department has the right of transfer. If there is any special problem that seems to be pressing, the Department has the right to transfer within certain limits to accentuate the work within certain items.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Montana.

Mr. METCALF. I want to add my commendation to that of my colleagues on a well-balanced overall bill as far as the Forest Service is concerned, and the Soil Conservation Service, the Extension Service, and the Rural Electrification Administration, all of which are of great importance to my State and my district. I feel that the committee has done an excellent job and merits the gratitude of the people of my State and district. I therefore want to add my commendation on the language that has already been mentioned on pages 14 and 15 of the report. This will take care of a situation in my State which will permit additional construction by REA.

I believe when the gentleman from West Virginia was talking about appropriations for REA he perhaps had the question answered that I want to ask. I understand that there is a need in here for about $300 million for REA loans, and you have here an allowance for about $185 million.

Mr. H. CARL ANDERSEN. I do not think a definite, proved need in feasible projects can be shown for any such amount as $300 million. That, of course, is a matter of contention.

Mr. METCALF. That is right.

Mr. H. CARL ANDERSEN. I think the $185 million will do the job. As I say, if there is not enough loan money available, I am sure my subcommittee will be open to argument next spring for a supplemental appropriation, if that should prove to be necessary; but I do not think it will.

Mr. METCALF. I thank the gentleman for these statements because we in Montana have been unable to secure some REA loans during the present year. If this amount of $185 million which is available for loans in the forthcoming fiscal year is not sufficient, I am sure we will be able to get additional money in accordance with the promise made by the committee.

Mr. H. CARL ANDERSEN. Mr. Chairman, I had intended to discuss the soil conservation program and the school lunch program, but I am going to ask Mr. HUNTER, Mr. HORAN, or Mr. LAIRD to talk about those items, as I feel I have used enough time in this general debate.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to my colleague, who has been of immeasurable assistance in our committee work the past 2 years.

Mr. LAIRD. I would like to call the attention of the committee to the question that was asked of our chairman regarding the amount of money for REA loans. It should be pointed out that in addition to the authorization in this bill there was $428,615,221 as of February 5, 1954, which has been authorized by previous sessions of the Congress and unspent at that time. The majority of these funds were allocated, however, to specific future projects.

Mr. H. CARL ANDERSEN. The gentleman is correct. But lest the House get the wrong impression of that, while that money is not spent, neither is it drawn down against the Treasury. It does not constitute a debt. That money is part of authorizations made in recent years just like you have to authorize $200 million at one shot for an aircraft carrier. That money does not, I repeat, become a part of the national debt in any way until it is actually borrowed from the Treasury by the various associations to whom it has been allocated.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to my good friend from Oklahoma. He has helped the cause of agriculture through the years he has served in Congress.

Mr. WICKERSHAM. I wish to compliment the gentleman from Minnesota [Mr. H. CARL ANDERSEN] who, as everyone knows, has been a great friend of the farmers. Personally, I feel he has done a good job. I know we have to think of the work of the Extension Service at this time, especially when we have had a drought and the farmers' prices have been falling and particularly we must appreciate the good work done by the 4-H clubs and the county agents and the demonstration agents. And particularly with reference to Soil Conservation Service and the problems having to do with wind erosion and soil erosion in the West and the Midwest.

Mr. H. CARL ANDERSEN. I realize that that is going to be quite a problem. I am positive that the Congress starting with my subcommittee will give every possible consideration to anything that might arise during the coming year.

Mr. WICKERSHAM. Is it the intention of this committee that Mr. Nelson is going to continue with the work of the RTA and the REA without placing too great restrictions upon the farmers who are organizing these RTA and REA cooperatives?

Mr. H. CARL ANDERSEN. Certainly, I hope that no unreasonable, so to speak, restrictions are placed upon any associations wanting such loans. But, at the same time, I am sure you will agree with me that we must watch the taxpayers' interest in this program and not allow it to lose its fine reputation by making loans which are not feasible. From what I know of Mr. Ancher Nelson, I feel positive that he will be fair. The man has a splendid reputation in my State of Minnesota. He will be fair. He is an old REA man and he will do the right thing, I am sure, by rural electrification.

Mr. WICKERSHAM. Will this permit the continuation and completion of certain projects as the Ouachita and the Sandstone projects in the Soil Conservation program that have been set up in the past?

Mr. H. CARL ANDERSEN. Might I ask the gentleman from Mississippi [Mr. WHITTEN] if he would be good enough to answer the question of the gentleman from Oklahoma [Mr. WICKERSHAM] which has just been put to me relative to flood-control projects. Mr. WHITTEN is our authority on that, and if the gentleman will permit, I would like at this time to yield the floor. I would like to yield some time to my colleagues upon the subcommittee.

Mr. WICKERSHAM. I would like to ask the gentleman an additional question first, if the gentleman will allow me. Will the Farmers' Home Administration loans allocated by your committee permit additional purchases of farms and rental of farms? Will it permit the drilling of additional wells in drought areas?

Mr. H. CARL ANDERSEN. Will the gentleman also ask that question of the gentleman from Missississi [Mr. WHITTEN] because personally I am getting a little bit embarrassed at taking up so much time of the committee.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield for a very brief question.

Mr. JONES of Alabama. Is it expected to make appropriations to care for the extension of rural housing, as provided by the recent housing act which was passed the week before last?

Mr. H. CARL ANDERSEN. I have already stated, Mr. JONES, that if the budget language comes down in time for us to consider anything that the other body might do, we will certainly give it our full consideration.

Mr. JONES of Alabama. Does the gentleman expect either a supplemental or deficiency agricultural appropriation bill this session in the event we are not successful in getting this money either in conference or in the Senate?

Mr. H. CARL ANDERSEN. Of course, there undoubtedly will be, for there usually is a final supplemental bill for all departments at the end of the Congress and for unseen emergencies for funds which may develop.

Mr. JONES of Alabama. It would be a rather awkward situation to extend rural housing and not provide funds for carrying it out.

Mr. H. CARL ANDERSEN. You are right, Mr. JONES. I am sure the budget will take care of it.

Mr. JONES of Alabama. I hope the situation is taken care of.

Mr. H. CARL ANDERSEN. I sincerely hope it will come to us in time so that the proper parties concerned can do something about it. I yield the floor, Mr. Chairman.

The CHAIRMAN. The gentleman from Minnesota has consumed 55 minutes.

The gentleman from Mississippi is recognized.

Mr. WHITTEN. Mr. Chairman, I yield myself 30 minutes.

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, I shall not discuss in very much detail the present appropriation bill, since it is covered by the committee report and has been presented by the able chairman of the subcommitteee, Hon. CARL ANDERSEN of Minnesota, who is a real friend of agriculture. Briefly, the Department of Agriculture budget called for eliminating many programs having to do with disease control and quarantines, prevention and spread of pests and diseases. The budget recommendation called for reduction in cooperation with the States on fire-control programs, elimination of reforestation and reseeding, and many other things of a similar nature.

The answer given by the Department was that while they believed in the necessity for continuing these programs they thought the States should take them over. Investigation disclosed that no arrangements had been made by the States to take them over, and at best all the Department had was the very fine hope that the States would step in and take over the job. Yet no arrangements had been made for the States to do so. The committee differed with the Bureau of the Budget in this particular, and we have restored funds, within the limits of funds approved by the Budget for the whole Department, to continue these programs—believing them to be essential. The committee has taken the same view with regard to soil conservation and the Farmers Home Administration.

Actually the whole Nation has an interest in our natural resources and in preventing the spread of diseases and pests, as well as their eradication. Not only that, but the whole Nation has an interest in meeting many of these problems at the Federal level so that there will be a common approach to the problems, and so that each State will have some confidence in the situation existing in other States that may be far removed as a matter of geography. May I remind you that the United States Department of Agriculture is being operated with much less money and many less people than in 1940. Other civilian activities of the Federal Government have increased more than 110 percent for the same period—page 58 of the agriculture appropriation hearings.

In the absence of the Federal Government in the picture we would find various States setting up embargoes and restrictions on the importation of farm commodities from other States. There would be retaliation on the part of such other States and you can easily see that we might end up with the terrible situation which exists in Central Europe, where each little country is separate and apart with trade greatly restricted, to the injury of all. We would lose in our Nation the great benefits which come from the free flow of trade between the various States of the Union.

Mr. Chairman, the Budget Bureau reduced the total appropriation for the Department of Agriculture by approximately $36 million. A majority of our subcommittee did not deem it advisable for the Department of Agriculture to be the only one to exceed its budget, and within the ceiling placed by the Budget Bureau we have done our best to meet the major problems of the Department.

Within the total funds available we have provided an amount in excess of $5 million above present year levels for the Extension Service and the State experiment stations work. This is not as large an increase as was recommended by the Budget and is not as large as many of us would have liked to have provided for these very fine programs. However, in view of the limit on funds for the whole Department I feel that the committee has been cooperative in going along with us to this extent.

Mr. Chairman, I would like to spend most of my time here in presenting the real facts concerning American agriculture, facts which have not been called to the attention of the American public by the Department. Though the evidence to support these claims is to be found in the hearings and justification, these points which I wish to make have not been the subject of speeches by the Secretary or other folks in the Department, who instead have been busy building up sentiment with the American public that the farmers have been getting too much and that the Nation has been losing too much under existing farm programs. That simply is not true. Though I am sure these officials have been honest in their views, apparently they have overlooked the basic facts.

Misleading information has been presented in many speeches against the present farm program, and in my opinion has resulted in building up public sentiment against any farm program. In that connection I would like to point out here some facts that we all need to remember.

Before there was any price support program or any real effort to give farmers or American agriculture its reasonable share of the Federal law, our Nation wasted about 40 percent of all our fertile lands, including other natural resources.

When the farmer sold for what he could get, farm life was so unattractive and the farmer received such a small share of the conveniences which other segments had that young men and women left the farm and farm life was hard on those who remained, not because of the long hours but because the individual farmer had little purchasing power.

Where about 40 years ago 84 percent of our population was on the farm, today only 16 percent of our population is on the farm, actively engaged in farming.

Where 40 years ago 4 persons on the farm worked to supply food and fiber for only 1 person in the city, today the situation is reversed and between 4 and 5 persons in our cities must look to 1 person on the farm to produce their food, shelter, and clothing.

FARMING TODAY IS A BUSINESS

Today farming is a business. Our American farmers have a total investment of more than $141 billions and last year spent more than $24 billions making a crop. The investment per farm

worker was $18,718 while that per industrial worker was $12,289 in 1953.

Due to his large annual investment, today the farmer can lose his farm in 2.7 years.

The American farmer will either have to make enough money to meet the cost of production and make a small profit, or else like any other businessman he will let the farm plant go down, exhaust the fertility of the soil, and then move to town like the rest of us. The price of taking commodities from land is going to be paid either by the person who consumes it, uses the commodity, or by the land itself and we do not have the land to spare. In less than 25 years, at the present rate of production, we will need more than 100 million acres of fertile land—land which we do not have—to meet a population increasing by about 3 million a year.

PRICE-SUPPORT PROGRAM NOT THE CAUSE

The existing price-support program is not the primary cause for large agricultural surpluses now in the hands of the Commodity Credit Corporation. In the first place all basic commodities now under a 90 percent support price are contingent upon the farmer's control of his production in line with the foreseeable market, when requested to vote such controls by the Government.

Next, the so-called 90 percent of parity support level does not even assure the farmer cost of production. It attempts to give him the same comparative purchasing power that he had in the base period 1909–14, or on a comparable basis with the last 10 years. In either instance to be given such assurances the farmers as a group must agree to restrict production in line with the foreseeable market, as set out by their Government when requested to do so.

REQUEST FOR PRODUCTION

During the period 1942–52 the Government requested the farmers to expand their farm plant and to produce ever-increasing quantities of agricultural commodities for the benefit of the Nation and our allies. Firm commitments to purchase these commodities were not made—page 22 of hearings.

GOVERNMENT RESTRICTIONS ON EXPORTS

During this period numerous embargoes and restrictions on export of farm commodities were imposed by the Government, which prevented the exportation of many farm commodities at any price, notwithstanding the fact that the world price greatly exceeded our domestic price—page 26 of hearings.

SALES POLICY

During this period and up until the last 30 days, our Government, notwithstanding the fact that much of this production was held in the United States at the instance of the Government, has followed a policy of largely holding American agricultural commodities off the world market to enable friendly nations to have most of the market, with American commodities used only to take up the slack—pages 49 and 1120 of hearings.

AGRICULTURAL ATTACHÉS

Even our official agricultural representatives abroad—agricultural attachés—are subjugated to the control of our State Department, which has consistently opposed selling American farm commodities competitively on world markets—unless we let the domestic price paid our farmers sag to competitive world levels—though they express it that they are opposed to sale below our domestic price levels—and our Government so far has largely followed that course as general policy.

What would American labor say to that if advocated for them? What would American industry say?

FARMERS LARGE CONSUMERS

American farmers are great purchasers of the output of American industry, possibly the greatest single market. They buy on the American market, causing high costs which must be included in prices received or else they will bleed the land, then go broke—page 173 of hearings.

WHY?

Our American price-support system has not priced American farm commodities out of the domestic market. The American people are eating approximately 12 percent more good, nutritious food than in 1939. It takes a smaller part of an hour's work to buy food today than at any time in the last 40 years—BAE report.

Many people believe these commodities have been deliberately held here to build up the cost so as to inflame the public against the present farm program. I do not believe the Department of Agriculture has gone that far. However, I do know the butter bought by the Government has not even been offered on world markets, even at prevailing world prices much less competitive prices. I do know the Department of Agriculture has increased interest paid as well as storage fees paid—page 1647 of hearings. Why, unless to add to the expense of the farm program?

COMMODITY CREDIT CORPORATION LOSSES

Only approximately $1½ billion of the total existing Commodity Credit Corporation stocks have been offered on world markets during the last year, and those were offered at prevailing prices, which means the world price was determined, our commodities were offered at that level, our competitors then merely had to give a discount to undersell. Of course when other supplies became exhausted, countries still needing supplies came to us for the residual amount needed to meet demand. There have been minor exceptions to this general policy, but the policy insisted upon by the State Department to meet international relations has virtually held most American farm commodities off the world market, since we have not made the price truly competitive—pages 49 and 1120 of hearings.

INCREASED MIDDLEMAN'S TAKE

Since 1945 the cost of handling agricultural commodities from the time they leave the farmer's hands until the level of the consumer has increased by 83 percent. During that same period the farmer's share of the consumer dollar has gone down—BAE report.

The American farmer's average income was approximately $850 in 1953. The average comparable income of other workers in our economy was about $1,850—BAE report.

COMPARATIVE COSTS

The cost of our farm program, notwithstanding that most of the cost comes from governmental policy of asking increased production and holding such production off world markets, is far less than our expenses in connection with industry and labor in connection with World War II and since—page 20 of CCC hearings.

The total losses on farm commodities have been approximately $1,200 million in the 20 years of its existence. During the period of war we paid out $4 billion in consumer subsidies. The Federal Government paid out approximately $40 billion in tax amortization to industry and in contract settlements to enable industry to reconvert quickly so as to keep industrial labor employed. Total investment of the CCC of approximately $7 billion is small indeed as compared with the $129 billion we have invested in military materiel—page 20 of CCC hearings.

FLEXIBLE SUPPORTS MEANS SLIDING SUPPORTS

It should be remembered that the administration's recommended flexible price-support program, fixing a maximum mandatory support of 90 percent, with provision for required supports being reduced to 75 percent contingent upon supply on hand, will become effective automatically January 1, 1955, unless the Congress acts to prevent it—page 70 of hearings. It must be remembered that supplies of commodities on hand now under the formula of that law would automatically reduce the required support level for most basic commodities almost to the minimum of 75-percent supports.

It should be remembered too that any basic farm commodity already at 90 percent could flex only downward under the so-called flexible supports advocated by the administration. Also support levels on commodities not now under the new parity formula, if placed under the new formula as requested by the administration, would be reduced.

DEPARTMENT SPEECHES

Led by the Secretary of Agriculture, many speeches are being made today to the effect that the farmer and the present price-support system seriously threaten the American economy, and that if something is not done to reduce the amounts going to the farmer under the present program the city consumer is going to rise up and overthrow the farm program. It is my considered judgment that those in control of the Department of Agriculture are doing more to incite such a feeling than any other group. The facts supporting the farmers' position, which I have cited, are all supported by our hearings on the Appropriations bill for the Department of Agriculture; but they are not the primary subject of speeches by the Secretary and his group, who in their efforts to build up public sentiment against existing farm programs in my humble judgment are building up opposition to any farm program though they do not intend to do so.

This is tragic, in my judgment. Only in the last 20 years has American agriculture had its fair share of laws or has agricultural life offered anything like the attractiveness that other segments of our population have enjoyed. Only during that period have we put back a reasonable share of what we have taken from the soil.

In order to protect future generations we must give real attention to maintaining a sound financial system. It is bad to overdraw at the bank. It is much worse to overdraw on our real wealth, which is the land, the timber, the natural resources, the material things.

COSTS WILL BE PAID

In this day of commercial agriculture the price must be paid. I realize the consumer is paying much for his groceries; but he is paying a smaller percentage of what he makes per hour than almost at any time in history. May I remind you that these high costs come from the fact that there has been an 83 percent increase since 1945 in cost attached to farm commodities from the farmer's hands to the consumer. May I remind you that freight rates have been increased by the Interstate Commerce Commission 11 times since World War II, reaching a total of 121 percent increase—page 138 of hearings. May I point out to you that in a $3.69 shirt of a standard make the farmer's share is about 35 cents, and under the law if one merchant agrees to sell the standard brand at a fixed price, in many States, the manufacturer can require all other merchants in the same locality to stick to the same price. Thus, if the farmer furnished the cotton in such shirt for nothing there is nothing in the law that would require the passing on to the consumer of such windfall.

THE NATIONAL DEBT

Mr. Chairman, we are having lots of trouble living with a debt of $265 billion. But the records of our country will show that for any 5-year period in our history the national income has averaged about 7 times the farm income, and we cannot stand a reduction in our national income of 7 times the drop we have already had in farm income.

Our high standard of living can be largely attributed to the fact that with our wealth of natural resources it took so few of us to supply food, clothing, and shelter for the rest of us that it left many to supply the automobiles and other conveniences that we enjoy far beyond any nation in history. We must not force back on American agriculture the huge cost which is being attached to his production from the time it leaves his hands until it reaches the consumer. Such costs are attached by reason of minimum-wage laws, bargaining power of labor unions, by freight-rate increases, and by continuing demand of consumers for cellophane containers, washed vegetables, and frozen foods, and so forth. The American farmer is in business, too; he has a tremendous investment and a huge annual cost. That cost will have to be paid either by the consumer or by the land itself. There is one thing that will put the farmer completely in the saddle, just as he is in the saddle in Greece, China, and India. When the Nation's resources are so exhausted that there is competition for who is going to eat, the man who produces it will be in the saddle, but we must not be so shortsighted in our Nation as to fall for that.

THE ANSWER

The answer, Mr. Chairman, is that this administration must stop the governmental policy of holding agricultural commodities off world markets at competitive prices. The American farmer is entitled to his fair share of world markets at competitive prices, just as he is entitled to his fair share of the laws on our own statute books, in view of protection for industrial labor and American industry. We must retain equal treatment for American agriculture. Then the farmer will be willing to limit his production to the foreseeable market, domestic and foreign; but not to the domestic market for that would mean his ruin as well as the reduction of the standard of living for the rest of us.

Today many people, many businessmen are finding out their welfare is dependent upon the welfare of agriculture. They know it in our smaller cities now. It will not be long before they know it in Detroit, Chicago, and New York.

Mr. Chairman, in all the years I have been here I have never used a chart on the floor and I do not intend to take up a whole lot of time with these charts today, but I do think it is worth while in these days when so many people both in the Department of Agriculture and out are trying to go to the country and indicate that these farm programs are doing something to destroy the soundness of the American economy and that farm price support programs are about to wreak havoc upon the people. I think it might be well for me to point out what I am talking about.

For instance, if you will look here in answer to the statement that is frequently made that the American farmer is pricing himself out of the domestic market you will note from this chart—and I appreciate the help my friend from Texas, Congressman POAGE, who is so thoroughly familiar with agricultural programs—you will note that today 1 hour of labor will buy more bread than almost ever before. The same thing applies to steak; it applies to milk; it applies even to butter. It applies to bacon, it applies to eggs, it applies to potatoes, and it applies to oranges. In other words, in spite of the fact that agricultural prices have been supported and that the Commodity Credit Corporation has on hand certain stocks that I will talk about a little later, you will find that even on a comparable basis the factory worker can buy more agricultural commodities than at practically any time in history for 1 hour's work. Why is it the American people are not told of these facts instead of being told things that serve to incite opposition to some equal treatment for American agriculture?

You will note that in 1947 a loaf of bread, which is a common article of food, that in 1947 the American farmer got 2.9 cents out of a loaf that sold for 13 cents. In 1953 the farmer got only 2.5 cents out of a loaf of bread that sold for 16.4 cents.

Why is not the Department of Agriculture telling the American people these facts? These come from the statistics of the Department and they are facts which should be told.

Another thing that has been pointed out so frequently by the Secretary of Agriculture and by so many others in an effort to inflame the city consumers against the farm program—that is not what they intend, but that is the net result—is the fact that most of these increases in farm production came at the request of the Federal Government.

Here is a record of the production goals—which means requests made of the American farmer by the Federal Government for the period of years 1942 to 1952—with the exception of a very small amount in 1952—for this period of years from 1942 to 1952 the Government of the United States was asking farmers to increase their production to meet the needs of the American people and of our allies in this period of international trouble. Not only that, but for this number of years the Government also established export restrictions and in some instances an outright embargo on the shipment of agricultural commodities and not shipping these agricultural commodities into world trade even though world prices were much higher than the domestic prices that the farmers were getting. These are facts that exist, these are facts that are found in these hearings. They are not the facts that you read in the speeches of those who would wreck the present farm program in favor of what they call flexible supports but which I term to be sliding scale supports.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. These are not the facts in the speeches; they are not the facts that we read in the daily press either.

Mr. WHITTEN. The gentleman is right. I think much of what we read in the daily press is picked up from these speeches which may be accurate in regard to certain things but they ignore a lot of facts which would make for a more logical conclusion.

Mr. Chairman, I happen to come from a cotton section of the country. There are many things involved in this. In the first place, notwithstanding the huge quantities of cotton you have on hand, the American Government has made money on all your price-support programs on cotton. Cotton will stay in storage for as long as 40 years. The supply of cotton that we had on hand when World War II occurred practically saved us. That was true not only in connection with that one commodity but other commodities as well.

COMPETITION FOR LAWS

We are a country of laws. There is competition in this Congress, like there is everywhere else, as to how a law is going to be written. For instance, we

have a law in reference to a standard quality of shirt with a standard mark. This is true of many other commodities also. If they get an agreement among the merchants in many cities in many States to sell at a certain price they can require others to sell that same commodity at the same price.

WHO GETS THE CONSUMER'S DOLLAR?

If you will look here as to the division of your cotton dollar, you will see that the cotton grower gets 13.3 cents out of the dollar, the ginners about seven-tenths of a cent, the merchandisers 1.3, the manufacturers, dyers, and finishers 18.5, the manufacturers of apparel and household goods 29.2, and the retailers 32.1 for buying the goods and offering it for sale again. The wholesalers get 4.9 cents.

I make that point not to complain about the markups, though in some instances you might think they are unreasonably high, but to point out where your dollar goes. If this were a standard make shirt with a regular name and if one merchant were to agree to sell it at a fixed price set by the manufacturer and that price is $3.64, the farmer would get 31 cents for his cotton in that shirt. Furthermore, if the farmer gave the cotton for nothing, there is no reason to believe that the shirt would be reduced in price at all as long as the buyer would buy it at $3.64. As long as one merchant would offer it for sale at $3.64, in most areas of the United States, because of laws we have written, the other merchants would have to sell it at $3.64. I am not saying that there are no faults with the present farm program. I do say those faults are not the cause of the things that are being pointed at today as being a reason to abolish or seriously damage the existing farm program. In other words, we have heard lots of statements about the high price of beef. This shows you that out of the beef dollar the marketing share is 36 percent, while the farmer's share is 64 percent from which of course he pays his cost including depreciation. Then again we see in this economy of ours that when the farmers' prices are drastically reduced, as much as 40 percent, we see precious little change in the retail price. Why? Do you know of any merchant whose commodity will move at regular prices that will reduce those prices as long as people stand in line as they do in Washington to buy those commodities at the price fixed? Is there any reason to believe that private enterprise is going to reduce just because they can under our system?

IS THE CONSUMER GETTING LESS?

The next thing we find is the statement to the American people that due to the high cost of food, due to the high cost of the price-support program, the American consumer some way is being injured. The record shows that the American people are eating 12 percent more nutritious food, good food, on an average, than ever before in history. The record further shows that the individual is paying a less percentage of an hour's time of work to buy that food. Whatever the conditions are surrounding the price-support structure, the American consumer, on a comparative basis, seems to be doing all right.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I think it should be pointed out that the American people today are paying approximately 23 percent of their income, on an average, for food, while the people in the rest of the world pay on an average approximately 70 percent of their income for food.

Mr. WHITTEN. I thank the gentleman, and his figures are approximately correct, as I recall it.

Mr. JENSEN. In traveling around the world and talking with people in every walk of life, it is plain to see why they are not able to buy the automobiles, the refrigerators, and the television sets like we can here in America, because we have 77 percent left after buying the food in America to buy all these other commodities, while the rest of the world, on an average, only has 30 percent left.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. This last chart which the gentleman has just shown us, consumption of foods in the United States, is that increase due to the number of people, the population, or is that a per capita increase?

Mr. WHITTEN. That is the per capita consumption.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman a moment ago mentioned the stocks of cotton that we had in inventory when we went into World War II. I recollect that the figure was about 12 million bales. Is that correct?

Mr. WHITTEN. In that neighborhood.

Mr. COOLEY. We thought that it was a great burden, and it turned out to be that every bale was a blessing to this great country. Now, these great surpluses that we hear so much about actually were an accumulation of cotton and wheat within the last 24 months. Is that not true?

Mr. WHITTEN. It is definitely true, and I hope to go into what the basic factors are as I see them in the present situation.

Mr. COOLEY. One other observation. The gentleman is making a very excellent presentation, and I commend and congratulate him. Just what the gentleman has stated about cotton a moment ago is actually true when related to wheat and other agricultural articles, is it not?

Mr. WHITTEN. It goes right down the line. I used cotton, because I come from that area and am more familiar with it.

Mr. COOLEY. The most of the wheat going into the farmer's pocket is almost negligible in the consumer's price for a loaf of bread.

Mr. WHITTEN. Two and five-tenths cents out of 16.4, I believe, in 1953. In 1947 he got 2.7 out of a 13-cent loaf.

The facts are that, as I tried to point out many times in this country of ours, beginning with the first session of the first Congress, the fight was on to write the laws. Competition was on as to how our laws would be written, and various advantages have been written into the laws by folks who believed in them and thought they were essential. In about 1900 we began to have substantial protection for industry, or even earlier than that, but about 1900 we began to place advantages—I will not say unfair advantages but advantages—to take care of the wages of industrial workers. This is no attack on that situation, but I am saying when you set out through the Interstate Commerce Commission and grant freight-rate increases since World War II amounting to 121 percent, when since 1946 the total cost of the farm commodities from the time they leave the farmer's hands until they reach the consumer has gone up 83 percent, when you say that the high cost of living can be attributed to the producer of the basic raw materials, when actually he is getting a less percentage than in 1946, we are making serious and real serious mistakes. Now, about 40 years ago it took about four people who lived on the farm to feed one in the Nation. It was comparatively easy for four people on the farm to feed one in the city, because they could virtually do it with their surpluses, you might say.

Farm lives were so unattractive and the amount that the farmer could buy with all of the money he received was so little that with the passing years almost every farm family that could do it saw to it that the boy or girl who was on the farm got off the farm. As I have said, today we have 16 percent of our people living on American farms feeding the rest of us. American agriculture today is a commercial enterprise. The investment of American farmers in land and in equipment and in those things that it takes to farm is approximately $141 billion.

Last year the cost of making the crop was $24 billion in cash. The investment per farm worker, in order to have a farm and have it run, is about $18,000 per person. The average investment of the industrial worker—the investment behind him—is about $12,000.

The American farmer, with that investment, and with that annual cost, either must receive a price that will enable him to get his cost of production back, plus a reasonable livelihood, or else he will do what our people in this country did for a hundred-and-some years; he will drain the fertility of his soil. He will wear the land out and then he will move to the town like the rest of them.

Under present conditions, the cost of making a crop and the cost of farming are such that a farmer may lose his farm, on an average, in 2.7 years. Not too many years ago it took 10 years, because it did not take as much money to farm. Today it is a commercial operation and it takes lots of money to farm.

WE MUST HAVE BALANCE

Here basically, as we see it, is where our problem lies. We have, through the instrumentality of the Government given so many protections in so many places that we are going to have to have some sense of balance. If you are going to protect labor unions by bargaining rights, by minimum wage laws; if you are going to protect the railroads by granting freight rate increases through the Interstate Commerce Commission; if you are going to protect the rights of industry by protective tariffs; if the cost in the area between the farmer on to the consumer is fixed, and if the costs of the farmer constantly increase, as they have since 1946, 83 percent, unless you have a floor under the basic raw material, the high cost up here at the top is going to push increased handling costs right on back to the farmer so that he will further deplete the land resources that we have in this country.

You may ask the question, Why should you be so excited about it? I will tell you. In the period when our farmers sold for what they could get as best they could, American farms wasted 40 percent of all the farmland that we have in this country. Today our population is increasing at the rate of about 3 million people per year, and in less than 25 years we will need 100 million acres of fertile land that we do not now have. We will either have to reclaim land or we will have to learn ways to produce more on the land that we have.

WHY DO PEOPLE IN FOREIGN COUNTRIES PAY 70 PERCENT OF TOTAL INCOME FOR FOOD?

My friend from Iowa, Congressman JENSEN, who is a strong friend of American agriculture and understands how essential it is, gave some figures indicating what part of his total income citizens of foreign countries spend for food alone. The people there spend about 70 percent of what they get for food. Why? Because in times past in nearly every one of those countries whose history you may study, the consumer demanded food at less than cost, plus enough to go back to maintain the fertility of that land.

OUR FARMERS COULD GET IN THE SADDLE

There is one way to put the American farmer in the saddle in the United States and that is to let him consistently get such a low price for his commodities that he will drain his soil to the point where you will have a China or an India or a Greece because, if he does not get a proper price, it is going to be gotten from the land. The price of anything you take out of the land is going to be paid either by the man who uses it or by the land itself. There is no way around that.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. I was interested in the gentleman's comments on the minimum wage. I happen to be a member of the Committee on Labor and was a member of the committee when it was instrumental in bringing out an amendment to the minimum-wage law. In our discussions in the committee, we finally decided, although there was considerable difference of opinion, that we would exempt all farm activity from the operations of the minimum-wage law. At that time I made the prediction that before too many years the mechanized farms all over the country would drive what we understand to be the ordinary farmer out of business. That is happening at the present time. I think some 1,400 farms produce most of the agricultural products and own most of the marketing outlets throughout the country. What we understand as the ordinary farmer is certainly working at a disadvantage and is gradually being driven out of the field of agriculture.

Mr. WHITTEN. I thank the gentleman, and I want him to understand that this is in no way an attack on minimum wage. I am just saying that when the Government sets out to put these various things into the law we have to try to seek a balance. I realize that we can argue as to whether this is the place or that is the place to make provisions, but I do think that you of necessity must have some balance.

The point the gentleman makes clearly needs to be brought out in this bill because the answer of the Secretary of Agriculture and his Department officials was that to meet present problems the farmer is going to have to reduce his costs and the answer as to how they say, is reducing the labor required. Every farm laborer that is done without is a farmer out of work. Eliminating working farmers and thereby reducing labor costs, is no answer, but it is the chief answer given. One way they say, in support of this so-called flexible sliding-scale support, is that the farmer can reduce his costs. To reduce his costs he must reduce his labor, and every laborer that is reduced is a farmer out of work.

Mr. BAILEY. May I say to the gentleman that most of the activities this farm labor would be engaged in that were exempted from this minimum wage law are mechanized farms where they are operating all kinds of machinery. They are not ordinary farmers as we understand the term. The subject is entirely too broad for us to arrive at any definite conclusions here under these circumstances, but it certainly does need attention.

Mr. WHITTEN. I would say that there is much feeling in agricultural circles that it was not best for agriculture to have minimum wage laws. Many folks in agriculture felt that farmers could not very well go into social security. I think in part they believed agricultural prices were not high enough in gross, to permit farmers to pay comparable wages. I think if you are going to cover everything in the American economy sooner or later the farmer is going to be forced under the tent of national programs to keep from drowning on the outside. I think that situation is rapidly coming about.

This is what I want to say in a nutshell, as I see it, about American agriculture today and the reason we are in this situation. In the first place, as I tried to show you, the American farmer has not priced himself out of the domestic market. The American consumer is getting more to eat than ever before and getting it for less effort, less work. But basically the Government asked for this increase in the farm plant. It asked for greater and greater production from 1942 to 1952. During that same period it imposed restrictions on exporting American agricultural commodities, and for the last several years the Government has followed largely a policy of holding American agricultural commodities off world markets so that other friendly countries could have most of the markets, on the theory that it was essential to international peace. I am not in shape to quarrel as to the need of lots of things to keep the peace, but if it is essential that American farm commodities be virtually bottled up in the United States so as to let those markets go to foreign competitors, it follows that the cost should be charged up to international relations and not to American agriculture.

Mr. BAILEY. I assume the gentleman is aware of the fact that one of the recommendations of the Randall Commission on our trade policies is to do away with the International Wheat Marketing Agreement?

Mr. WHITTEN. I am familiar with it, but I would like to follow this thought. The reason I say that has been our general policy, if you will read the hearings, and I will place an index of it in my extension of remarks, you will find that out of all the commodities the Commodity Credit Corporation has bought, and I think it is said in the papers to be over $7 billion, approximately a billion and a half are offered on world markets at prevailing prices. Our Government analyzes the level at which the world market exists and then offers our commodities at that level. Then a competitor merely has to give a 2-percent discount and he gets the market. Of course, when he cannot meet the demand, they come back and we take up the slack. One agricultural magazine says that we are residual exporters. We take whatever is left after the others meet the demand. We have heard about the butter support price and all the butter we have bought. Is it not surprising that your Government will not offer it for sale in the world-trade channels at even prevailing prices, much less competitive prices? But they will not and they do not. I am again saying that the international relationship is something which I do not claim to be an expert on, it may be that some of these things are essential, although I am not too sure of that, but if they are essential, then the cost should be charged up to our foreign relationships and not to the farmers. Why even the representatives of the Department of Agriculture in foreign countries are appointed with the approval of the State Department. If the Department of Agriculture wants a report, they send it through the State Department and the State Department determines whether the report should be sent back or not, and people with the State Department have consistently held the belief that in their opinion, though not officially released, American farm commodities should not be offered in world-trade channels unless the American farm prices domestically

sag down to world levels. That is the way I describe it, and the way they express it, it amounts to the same thing. They express it this way, that as long as we support the level of American farm prices above world price levels even though in doing so we are trying to put the farmer on an equality with others who have that protection, we have no right to create problems for them with countries with which they deal by offering these commodities at competitive world prices.

It amounts to the same thing. It means, if we want to offer our commodities at competitive prices, and have the approval of the Department of State, then we must let domestic prices come down to world levels. If you do not believe that, read the hearings before our subcommittee. Following the lead of our State Department has caused much of our trouble. Yet, we have $129 billion built up of military materiel. Is it so bad to have $7 billion worth of farm commodities on hand? We spent $4 billion during the war on consumer subsidies. Is it so bad to have lost only $1,200,000,000 after 22 years on farm price supports?

FLEXIBLE SUPPORTS

Do you know that the so-called flexible support prices are going into effect. automatically if Congress does not act by January 1? Did you know the minute it goes into effect, the supplies on hand of basic commodities now are sufficient to automatically put a number of them down almost to the minimum of 75 percent. Did you know that the support maximum under the so-called sliding scale is 90 percent of parity—they say it is not a sliding scale, but that it is flexible—but the maximum that is required by law is 90 percent of parity, and if the support price on basics is at 90 percent now, there is no way that the support price can go under the formula except down; is there? With regard to commodities now supported at the maximum, if the support price flexes at all it has to flex downward; does it not? And the supplies on hand of the basic commodities are such that it will start support prices down immediately.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. LAIRD. I have enjoyed working very much with the gentleman from Mississippi on the committee. He has been on the committee for 11 years, for 4 of which he has served as chairman and his help is much appreciated by me.

I think, however, in a discussion of the holding of farm products off the world market, this is nothing new and is something that the State Department has gone along with under two previous administrations when the minority party was in control and it has been carried over in the present administration. I think that should be pointed out, that it is a long-standing policy and the responsibility cannot be definitely placed on the Department of Agriculture, but should be laid at the steps of our Department of State.

Mr. WHITTEN. I thank the gentleman. May I say I appreciate his statement. The gentleman is a real friend of American agriculture. While I do not think it requires force to make me try to be fair, I would be forced to admit that the gentleman is correct about it.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Those of us who are tremendously interested in agriculture—all of us, of course, believe in true soil conservation practices; however, during the past years, and we are still at it, as I understand from trying to interpret the report on this bill, we are still making available payments for fertilizers for our farmers, paying them to put lime on their land and to do terracing and engage in other practices. Can the gentleman give any one good reason why we should pay the farmers of this country to continue these practices that have proven so beneficial to them through all these years? Do they not want to improve this farmland themselves?

Mr. WHITTEN. Let me say to the gentleman from Illinois that we had many complaints along the line the gentleman indicates. May I say there is a large handbook of programs for which funds are made available to the various States for assistance toward the costs of soil conservation. If these funds are used for poor practices or unwarranted programs, the fault lies right at the local level because they have a thick volume of authorized practices from which to choose. If they choose bad ones then it is chargeable to the local level.

Mr. ARENDS. I hope we can get away from it and cut down that way.

Mr. WHITTEN. I agree with the gentleman. But, as I say, the fault lies at the local level, for there is a large volume from which they make their selection and certainly they should be able to pass up poor practices, for there are enough suggestions given them that they could certainly have some real good soil conservation results.

Now I would like to say that the Federal contribution toward cost on the average is one-third or less of the total cost, including labor, and with declining farm income the last several years, we are having a hard job of getting the farmers to do the work in spite of our saying we will put up one-third of the cost.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. FOGARTY. I have a letter from the Rhode Island Nursery calling attention to the fact that the committee has cut out of this bill the item for Japanese beetle control. Can the gentleman inform me about that?

Mr. WHITTEN. That has been restored. Permit me at this time to say that I commend the subcommittee. I am proud to work with each of these gentlemen. They are all able men, hard workers, who are vitally interested in the whole subject of agriculture. They have had a hard job to do and they have done it well. Basically, the Budget Bureau sent down a budget reducing the expenditures for the Department of Agriculture $36 million, by and large. Then within the reduced overall budget, they cut out many of your action programs such as trying to control the Japanese beetle, the gypsy moth, to try to control and wipe out diseases of plants and animals. They reduced drastically all action programs, giving increased funds instead to extension and State experiment stations.

This committee has been among the strongest friend that extension and State experiment stations ever had. I led the fight to provide the increased funds for extension and the State experiment stations. Some years ago we had brought appropriations to the point where we had reached the limit, and then we got behind the bill removing the limit and allowing us to go further with these programs.

We restored part of the budget cut in the school-lunch program. Insofar as we have been able, we have tried to get these items back into some sense of balance. We did, however, grant extension and the State experiment stations about $5 million increase above this year's levels when just about everything else is still below in spite of our efforts.

The majority felt they could not exceed the overall budget allowed the whole Department. While personally I had no such feeling since the budget had been reduced by $36 million from amounts available this year, I could see their side of it. It is my thought that if the Department will submit detailed proof to the other body and spell out, 1, 2, 3, 4, the work they need the money for, then we can get our subcommittee to go along in conference. I have talked to many of my colleagues here on the floor who get telegrams from farm organizations, from State experimental stations, and others saying: "Give us what the President approved through the Bureau of the Budget."

The President did not give this large increase to them. His Budget Bureau took the funds away from the other essential programs and recommended such funds be given to them in that way. If you abolished all of the other programs there might be eighteen or twenty million dollars available, but we did not go along with cutting out or down the other programs. This $5 million increase in this bill is more than they had for the present year, it is more than they ever had, and it is a rather substantial amount in these times when the Farm Bureau, the chamber of commerce and my friends in other places spend more effort demanding balanced budgets than most any group I know of, and I say that with all due candor and with all due friendliness toward all of their activities. The majority of this committee has done the best it could. I feel I must stand with them.

Mr. FOGARTY. I would like to ask the gentleman one more question. How much is there in this appropriation bill for research?

Mr. WHITTEN. I do not have the exact figure here but the total amount for research in the Department of Agriculture bill runs in excess of $60 million. That includes experimental stations and

all the research activities, not just in the one research fund. Research through the Department is in excess of $33 million.

Mr. H. CARL ANDERSEN. The total amount is approximately $61½ million.

Mr. WHITTEN. Yes. We have through the years tried to turn back to the advisory committees the job of selecting projects so that they could push the Department away from doing things that did not bring in much of a return and on to meet new ones. I think the Department must see the work to be done. Money can be wasted here just like anywhere else.

I want to give a little illustration, and I am, and have been, a strong supporter of research. Not too long ago the Department wanted a quarter of a million dollars to put up a building to do research on the use of fuels under extremely cold conditions. I happened to be with the Air Force down at Eglin Field, Fla., and had seen a big cold storage building down there about the size of three football fields. I asked the Department of Agriculture, "Why do you not use the Army's place down there at Eglin Field, Fla., and save that quarter of a million dollars?" They said, "We did not know the Army had one down there. We will be glad to do that."

They went to see the Army. The Army said "Sure, we will be glad to have you use our building, but why do you not use the one across the river up there, at Fort Belvoir?"

Research is fine and money is even finer if you can get it, but I do think if we are going to save this Nation of ours, even though the work be good in its broad scope, research, extension or what have you, we ought to know what the project is, we ought to know that it is a good project and we must constantly try to get a dollar's worth for a dollar spent. I feel we were extremely fortunate to get $5 million additional for this work in this bill considering all the circumstances.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I want to call the attention of the committee to the fact that for the past 12 years I have observed the work of the gentleman from Mississippi [Mr. WHITTEN], as a member of the subcommittee. There has been no better friend of research and extension in the Congress of the United States than has Mr. WHITTEN. But he and I are faced with a realistic ceiling and are trying our best to better balance our various programs, if we can.

Mr. WHITTEN. I thank the gentleman.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I understood the gentleman to say that they cut $15 million from the school-lunch program?

Mr. WHITTEN. The budget cut $15 million from this year's total for the school-lunch program. They hope to make available more farm commodities for the school-lunch program. But the committee restored about $9 million of the cut. That is all we were able to do and stay within the overall limits.

Mr. NICHOLSON. The other is taken up in surplus farm commodities?

Mr. WHITTEN. We have consistently made available large quantities of farm commodities to school lunch. The supply of farm commodities will be greatly increased this year. Because of that the budget said that they were cutting the cash appropriation $15 million. We restored approximately $9 million of the cash it cut. In addition to what cash they get, they will have the farm commodities available.

Mr. NICHOLSON. Was there some appropriation made for the eradication of the gypsy moth?

Mr. WHITTEN. We restored all of those programs. We felt it was highly essential that the Federal Government stay in that field. If we did not, it meant that many States would begin to place embargoes upon commodities of some other State, and then the other State would retaliate, and we might end up like a lot of small European countries, with trade barriers everywhere.

(Mr. MATTHEWS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MATTHEWS. Mr. Chairman, the appropriations bill for the Department of Agriculture, which we are now discussing, is of great importance to the people of the district that I represent, the Eighth Congressional District of Florida. There is not a single phase of our great agricultural program that is not reflected in the diverse agriculture of the Eighth Congressional District of Florida.

This bill concerns itself with research, extension, and action phases of our agricultural program. The research phases are conducted by the States through the Agricultural Extension Service and through the State experiment stations, and research is also conducted directly by the Federal Government, and particularly in my district do we find this research in forestry. A branch of the Southeastern Forest Experiment Station is located at Lake City, Fla., and at this research center, valuable work is done not only for the forests of Florida, but for all of our Southeastern States. Forestry is a big business enterprise for Floridians, and this vast industry ranks second only to tourism as our State's biggest source of income, now bringing in more than $310,000,000 annually. Over 60 percent of Florida's land acreage, 23 million acres, is forest land. There are at the present time 788 wood-using plants dependent upon Florida's 23 million acres of commercial timberland for source of raw material. The backbone of Florida's forests is the versatile pine tree. Sawmills, pulpmills, ties for railroad tracks, fuel wood, naval stores, and cooperage use the Florida pine.

Two insects threaten great areas of our pine tree section; the turpentine beetle and the southern pine beetle are a source of a great loss to our owners of forests and are insects that we must constantly be on the alert to eradicate.

Throughout the State of Florida we have a number of experiment stations, with headquarters on the campus of the University of Florida at Gainesville, which is in my district. Scientists from our experiment stations have done such outstanding work as introducing citrus pulp as stock feed, the conversion of our citrus juices into the concentrated forms that have literally saved our citrus industry. Scientists from our experiment stations have introduced new grasses to our ranchers, and today Florida is one of the great beef cattle States of the Nation. Bahia, pangola, and other grasses that make it possible for the ranch lands of Florida to permit almost constant grazing have been introduced to the cattle ranchers of our State.

For many years in Florida as the assistant State 4–H Club agent, in charge of the summer camps of our 4–H Club boys and girls, I had a first-hand look into the valuable work of the Agricultural Extension Service. I saw in my own county over a span of some 10 or 15 years pure breed hogs introduced, and I saw Florida agriculture improved through these extension activities that took the results of research directly to the farm. Then, in later years, I have seen the developments of our great vocational agricultural program. The Future Farmers of America and the Future Homemakers of America are among the outstanding youth groups in our country. Boys are learning now in high school how to improve farm techniques, and it is particularly valuable to them, because many of them will not be able to go on to college. One very encouraging thought about the farm programs which are directed toward our youth is the fact that we are encouraging many of our young people to stay on the farm. I believe historians will agree that one of the chief reasons for the decline of any civilization has been the ruin of the soil. Certainly Rome is a great example of what will happen when people turn away from the land and permit it to fall into ruin. As the great city areas of our Nation become more and more congested, we must forever be on the alert to see that our farms, the source of our food, fiber, and shelter, are not destroyed and are maintained by happy and contented owners.

Then, in laters years in my district, I have seen the results of the great action programs of the Department of Agriculture. The Rural Electrification Administration has promoted the extension of electricity and telephones to our rural areas; the Farmers Home Administration has been helpful in promoting farm ownership and better housing on the farm; the Farm Credit Administration and the Commodity Credit Corporation have made their valuable contributions; the Soil Conservation Service, and all of the agricultural conservation programs have taken many areas, not only in my district but throughout the whole United States, which were once barren and desolate and have made them once again fertile soil, capable of producing the crops to feed the Nation and other areas of the free world.

It seems to me, Mr. Chairman, that what we need now is to be sure that in

the appropriations for the Department of Agriculture we create the necessary balance in all of our programs. I do not want to see any of them suffer, and I intend to support certain amendments which will enable a continued development of all of the phases of our agricultural program.

Last, but not least, I want to mention the school-lunch program, about which many of our educators in Florida have written me. One contradiction that is so difficult to understand in our beloved country is the fact that with great surpluses of certain farm products, we still have millions of our people who are undernourished. We find that through our school-lunch program we have been able to improve the dietary standards of literally millions of our school children. This program should be continued, based of course, always, upon sound principles and efficient management. Surely if we are thinking about giving away some of our agricultural surplus to other peoples of the world, it is entirely logical that it be made available, first of all, to those in our own country who need it. Last year I introduced a resolution in the House asking the Secretary of Health, Education, and Welfare to make an investigation of the possibility of giving some of our agricultural surplus to our old people getting old-age assistance, with the necessary safeguards to protect private enterprise. There are 67,736 persons getting old-age assistance in Florida, and in the United States as a whole, according to the last information I have, there were 2,585,139 persons getting old-age assistance. Now, then, certainly there are many millions of our schoolchildren who still do not have the dietary standards that they need. Certainly our school-lunch program is vital in this whole problem of agricultural surpluses, and what is more important, it is vital to the welfare of the future citizens of our Republic.

(Mr. HORAN asked and was given permission to extend his remarks at this point in the RECORD.)

POPULATION GROWTH AND FARM RESEARCH NEEDS—A NEW LOOK

Mr. HORAN. Mr. Chairman, the world's supply of food is at a record height this year, and most people again are eating about as well as they did before World War II. In fact, the steady and persistent increase in world agricultural production during the past 6 years has built up surpluses of some commodities, not only in the United States, but in several other exporting countries as well.

To an American farmer struggling with a surplus crop these days, it may seem incredible that some people say the world's food outlook is serious. Such statements have been made in the past, and are being made today, even in the face of current crop reports and market gluts. Why?

A few years ago, there was a great hue and cry over the modernized version of theories Malthus had expressed back in 1798 that the world's population is increasing so fast man actually is eating himself out of house and home. The modern Malthusians warn that the current upsurge in world population means inevitable starvation unless man quits wasting his resources or the birth rate is sharply reduced.

Many people laugh off these gloomy predictions, but there are places in the world where the problem already is a serious one. In other areas a crisis in the food situation appears to be a long way off. The situation varies greatly. With our abundance here in the United States it is difficult for some people to give much heed to warnings that more difficult days may be ahead in the world. Even if that should be true, the nutritional advantage enjoyed by our people makes our outlook different from that of many other countries. Like most other nations, however, we are experiencing a period of rapid increase in population. How rapid is shown by the statistics.

Our population of 152 million in the 1950 census was the result of an increase averaging 2 million persons a year during the previous decade.

THE 1950 PROJECTIONS FOR THE UNITED STATES

Shortly after the 1950 census data were available, estimates were made of the agricultural requirements in the years ahead, and the resources we have to meet those requirements. The studies presented some interesting projections of demand and supply prospects.

The widely quoted estimates by scientists in the Department of Agriculture were predicated upon a prospective United States population of 190 million in 1975. This figure, as explained by the Census Bureau, might be reached "under moderately favorable circumstances." The increase projected in this estimate would be the result of an average gain of 1½ million people a year—well under the average increase that had actually taken place in the decade before 1950.

The estimate of 190 million people meant that for every four persons sitting down to a meal in 1950, there would be one more person at the table in 1975. In other words, a fifth plate would have to be filled.

It is at the subsequent point—how well and how easily the fifth plate can be filled—that experts sometimes have disagreed. It might be worthwhile, then, to recall briefly what kind and how big a job this population estimate seemed to forecast for our agriculture.

In 1950, we were using 462 million acres of cropland to supply food and fiber for domestic human consumption. This figure includes the actual productive cropland plus the equivalent cropland value of the pasture and grazing lands that were supporting our livestock.

Assuming that the 1950 average levels of consumption and of per acre yields would remain unchanged, a total of 577 million acres of cropland would be needed to supply 190 million people as well in 1975 as 152 million were supplied in 1950.

The difference between the 577 million needed and the 462 million then in use—or 115 million acres—would be met in part by new land brought into cultivation by 1975 through irrigation, drainage, and clearing. It was estimated that about 30 million acres might be added by these means. In addition, the continuing trend toward more complete mechanization in farming was sure to release more acres from producing feed for horses and mules. It was estimated that by 1975, 15 million acres more could be put into food production from this source. The increase in productive land, therefore, would be perhaps 45 million acres of cropland equivalent.

Adding these 45 million acres to the 462 million used in 1950—and not making allowances for acreage losses due to soil deterioration and other causes—the prospective total of available land would be 507 million cropland acres.

These estimates left a net production deficit of 70 million acres. It was clear the deficit would have to be overcome by other means than the expansion of agricultural acreage.

The estimates had scarcely become known publicly before it became apparent that population was increasing far more rapidly than the projection schedule. Further, supplies of farm products also were building up. This was true not only in the United States. It was happening in many parts of the world.

WORLD CHANGES SINCE 1950

The upward trend in both food supplies and number of people is still continuing throughout the world. The high food production in the world the last several years apparently is being exceeded during the current—1953–54—season, according to a summary prepared in January 1954, by the United States Department of Agriculture. The major staples—rice, sugar, meat, animal fats, citrus, wheat, potatoes, beans and peas, edible vegetable oils, and dairy products—which comprise four-fifths the foods consumed, this year are being produced at a level about 10 percent higher than the 1935–39 average.

While production of these most common commodities has not quite kept up with the increase in world population—which has been 15 percent since the prewar period—other food gains have helped to close the gap. For example, there has been a marked expansion in production of sweetpotatoes and cassava, for which world estimates are not available. Other gains result from such things as the more effective utilization of foods, an outgrowth of the scarcities encountered in wartime.

Per capita consumption therefore is belived to be virtually back on prewar levels. And world food supplies, after the serious gap immediately after World War II hostilities ceased, have almost, though not quite, caught up with population growth.

Just how much further the gains will go is not clear. There are signs that the upward trend in food production appears to be leveling off. One such sign is the fact that although a new record is being set, actually this year's production is only slightly higher than that of the 1952–53 season. Another sign is the announced plans of several countries to limit production of some commodities in the wake of the current imbalance in distribution, which has built up surpluses accompanied by price declines without corresponding reductions in production costs.

Obviously, if the current rate of population increase should continue for very long, a large increase in food supplies will eventually be mandatory if the people of the world are to continue eating as well as today. In many cases this still is not very well. A return to prewar levels of consumption does not necessarily imply universal good nutrition. Estimates are that perhaps half the world's people still have inadequate diets, several hundred millions of them living in a chronic state of semistarvation.

UNITED STATES FOOD AND POPULATION TRENDS

What about the United States? What has been happening here since 1950?

People are still eating well. The sharp shift in eating habits over the past 10 to 15 years led to greater use of dairy products, eggs, fruits, and vegetables. Meat consumption went up to a new record in 1953.

The trend, of course, is not constant. For example, there has been a substantial drop in the use of dairy products, from 731 pounds per person in 1950 to 682 pounds in 1953, largely because of the decline in butter use. Nevertheless, total dairy consumption remains high, compared to many other countries. Nutritional levels remain far above the world average.

Acre yields also have gone up. The average yields in 1953 set a new record or were well above average for most important commodities. Total agricultural output was about the same as in 1952, however, because harvested acreage was smaller.

The marketing surpluses of wheat, corn, cotton, and dairy products were enlarged. While there are no precise measurements, current farm production is running perhaps 3 to 5 percent in excess of consumption and export. This is an overall percentage, and certainly the excess for some commodities would be much higher. The fact that the overall figure may seem to be a small part of the total does not lessen the serious effect on the commodities concerned, or on agriculture in general.

But population has been increasing even more rapidly since 1950 than in the years before. The 2 million average per year during the previous decade was made possible by the fact that the rate leaped upward in 1947 and remained at 2½ million or better thereafter. But since 1950 the annual increment has been ever higher. By August of last year, population was estimated at 160 million. Obviously the projections based on 1950 assumptions were becoming obsolescent.

The Census Bureau therefore provided a revised set of 4 projections for 1975, all of which are indicated to be within the realm of conservative possibility. These estimates range from 199 million in 1975 for the lowest rate of increase that was calculated, to 221 million for the higher rate. The medium-high projection is 214 million, the medium-low is 207 million.

The medium-low projection is based on the assumption the rate of increase will gradually slow down between now and 1975.

If agricultural requirements are recalculated on the basis of the medium-low increase in population, our farmers must be producing enough food and fiber to provide for 176 million people by 1960—just 6 years away—and for 186 million by 1965.

At that rate of population increase, and if consumption and production rates remain unchanged, excess supplies are likely to be greatly reduced, if not eliminated entirely, for several of the surplus commodities before 1960. In order to deal with surpluses of certain commodities, such as wheat, however, it probably will be necessary also to have rather substantial shifts in production patterns within agriculture.

Adjusting the former estimates of required 1975 agricultural production to the new population estimates, we find that 207 million people would need production equal to 629 million acres of cropland equivalent on the basis of 1950 food consumption and acre yields.

Therefore, the 70-million-acre deficit based on the 1950 population estimates has swollen to about 120 million acres instead.

ESTIMATES OF 1975 FOOD NEEDS

Food needs of 207 million people can be stated in other ways, of course. For example, on the basis of current per capita consumption, ranchers and farmers will have to increase meat production by about 30 percent. This would mean producing as much meat as we had available last year—a record year for beef—and as much more meat as to equal all the 1953 pig crop of Nebraska, Iowa, Illinois, and Wisconsin; all the cows in Texas, Oklahoma, Minnesota, Kansas, Nebraska, and South Dakota; plus the 1953 lamb crops of Montana, Wyoming, Nevada, Utah, Idaho, Colorado, and California.

A population of 207 million also would need 18 percent more dairy products, if 1953 consumption patterns persisted. This would mean adding as much more to the milk production as we had in 1953 as was produced in the States of Michigan and Wisconsin. To get this we would need to increase our dairy herds by 3.9 million milk cows, raise the average milk production per cow by 966 pounds—449 quarts—a year, or use some combination of these alternatives.

We also would have to increase egg production by as much as was produced in 1953 in 6 large egg-producing States—California, Kansas, Missouri, Illinois, Pennsylvania, and Iowa. One way to get this increase would be to increase the Nation's laying flock by 110 million hens. Another would be to raise egg production per hen by 59 eggs a year, from the 1953 average of 182 to a record-breaking 241.

Comparable increases will be required for other commodities if 207 million people are to eat as well as we do today. Increases in fruits and vegetables would be particularly important to preserving the present nutritional standards.

Generally, beef and pork, milk, and similar livestock products not only cost more to produce, but require more land than do potatoes, wheat, and other direct food crops.

Large increases in our dairy herds, in the numbers of beef cattle, sheep, and pigs, would therefore put greater pressure than ever on the available farming lands. The problem again boils down to one of agricultural land and what can be produced on it.

INCREASING PER-ACRE OUTPUT

Scientists concerning themselves with the problem of future food supplies do not envision hunger in the United States. What many of them do see is a growing difficulty in maintaining our present diets as population increases, unless there is a drastic improvement in output from agricultural land now in use.

In the face of record food production, record acre yields, and other recent achievements of our farmers, this may seem far-fetched. Farm production now is 44 percent greater than it was in the prewar period of 1935–39. Acre yields are at record highs, or nearly so. Crop production per acre is one-third higher than in the prewar years. Livestock production per breeding unit is up one-fourth.

Yet that will not begin to be enough for 1975. Rough estimates indicate that if we are to maintain and perhaps make some improvement in our diets as dictated by nutritional needs, we will need to almost double the farm production we had in 1935–39. That means, since very little new land is available, acre yields will have to climb upward even more spectacularly.

It won't be easy. The great strides in agricultural production beginning with World War II were possible because farmers could draw on a great store of research knowledge accumulated during the preceding 20 to 30 years. That stored-up knowledge packed enough wallop to shoot farm production upward as farmers generally, under exigencies of defense needs, put more and more of it to use.

We have a lot of momentum left, and farm output can continue to increase. But we do not have a large reserve of knowledge comparable to that farmers were able to tap 15 years ago when the current upsurge in production was getpening generally.

THE RESEARCH CEILINGS

What has been happening in egg production illustrates what has been happening generally

Egg production on farms in 1920 probably did not average much over 100 per hen. By the mid-thirties, the average had reached about 120 eggs. Then a sharp upward swing became noticeable. By 1950, the average was 172 eggs per hen. Last year—1953—it was 182. We have had plenty of eggs.

But if the diets of 207 million people in 1975 are to be as good as ours today, egg production will have to be 30 percent higher than at present. We must increase the number of laying hens, and also continue raising the average egg production per hen.

To produce enough for the 1975 population, our present flocks would have to average 241 eggs per hen.

It is virtually impossible on the basis of present knowledge. The 241 average exceeds the best average records obtained in such an example of advanced application of available knowledge about breeding, feeding, and care of poultry as the Connecticut egg-laying contest.

This and similar contests in other States have been going on for several decades. Breeders from all over the country enter pens with the avowed purpose of setting new egg-laying records. Latest and best methods and information certainly play a major part.

Starting with an average of 160 eggs per hen in 1920, records in this contest began an upward swing that carried into the midthirties, when a leveling off began at 225 to 230. The high average now is 239 eggs per hen. In other words, a ceiling apparently has been reached, and it has persisted for some 20 years.

It is not likely that farmers will be able to reach as high an average as the most advanced practices allow. Farmers seldom can maintain the special conditions of the contest or of experiments, where scientific controls, not necessarily geared to profit and loss, are used. There is, therefore, an inevitable lag in achievement. There also is an inevitable lag in time.

Average farm egg production began going up noticeably about the time contest averages began to level off. In other words, the present rise on farms is a delayed response to advances in egg production reflected in the contest 10 to 15 years earlier. Since a ceiling on the frontiers of knowledge about egg production has persisted, obviously the backlog of unused information that farmers can adopt has been considerably reduced. Therefore, the prospects of continuing the rise at current rates in average egg production on farms are diminishing rapidly.

New research information will have to be obtained to lift the ceiling on both crop and livestock production before we can hope to meet future requirements.

The direct relationship of our yield ceilings for crops to our ability to meet future requirements for livestock and poultry products must not be overlooked. Basically, feed supplies must be ample whether we get additional eggs by increasing the number of hens or by raising the rate of lay. Again, we have the primary problem of making our available farming lands produce more abundantly.

REDUCING FARM LOSSES

As agricultural production per acre goes up, the task of increasing it still more becomes harder. In fact, the job of just maintaining the current pace already is absorbing a significant share of the available research effort in the United States Department of Agriculture, and in State agricultural experiment stations.

It takes more gas to keep a car running at 60 miles than at 30 miles per hour, and it takes still more gas to accelerate from 60 to 80.

High production on a sustained basis must overcome the hazards constantly presented by weather, insects, diseases, parasites, and weeds. Losses caused by these hazards not only increase cost of production per unit, they force farmers to use more land and labor to provide our requirements than would otherwise be the case.

It is difficult to calculate these losses. The Department of Agriculture recently revised and brought up to date its estimates after a careful study by a group of trained technicians. Their report, admittedly tentative and incomplete, at the same time gives a rather conservative estimate.

Despite the gains that have been made in the past, it was estimated the average annual loss to farmers from all these hazards between 1942–51 was more than $13 billion.

A yearly loss of this magnitude offers a fertile field for research. The greater the progress in reducing that loss, the bigger the strides in meeting food needs of the future.

Assuming that by some magic all these losses were eliminated, farmers would have needed 120 million fewer acres a year to produce as much food, feed, and fiber as they were able to produce during the 1942–51 decade.

Since the 1975 anticipated population is expected to require the production from an additional 120 million acres or so producing at 1950 levels, it would appear then that we could meet our 1975 needs, and have some margin to spare, merely by getting rid of insects, weeds, diseases and parasites on crops and livestock, and finding ways to resist losses caused by weather.

No one expects complete victory, of course. Full production cannot be achieved. It is difficult also, to estimate how far it would pay to go in reducing the losses. Obviously the great gains of recent years still leave much room for improvement.

Taking an optimistic attitude, we might assume that given time and the proper research program, it would be economically feasible to eliminate perhaps one-half the current losses.

If that could be accomplished in the next 20 years, we would have won the way to three-fourths the increased farm production needed by 1975.

Actually, of course, most of the necessary research results would have to be obtained long before, in view of the time lag that inevitably lapses in getting research results into use on farms.

OTHER RESEARCH NEEDS

Reducing farm production losses of this kind is not the only means open. The cost of getting additional production by this means may be too great in some instances. Other more economical methods may be necessary to do a complete job and assure farm supplies in sufficient quantity and at reasonable cost to consumers.

More food can be made available as we devise better uses of agricultural commodities. Imperfect or incomplete utilization is a great waster of the products of the soil. The same holds true for marketing. Waste and spoilage in the distributive channels still consume large quantities of food supplies. But careful research can show the way to eliminate much of this loss. Another source of help sometimes overlooked is in the home kitchen. As research produces better information on nutritional needs, it can also bring about better food preparation and cooking to preserve the highest nutritional values.

Research to breed better varieties of plants and better types of livestock also can make substantial contributions. Redesigning plants and animals to meet changing consumer demands will be necessary. Recent examples are the meat-type hog, the Beltsville turkey, and tomatoes with more vitamin C. Scientists may yet be amazed at the extend of untapped potentialities in genetics.

A top achievement of plant breeders in the past is hybrid corn. Although no one can predict the "break-through" of a new development, it seems reasonable to expect that, given opportunity and support, agricultural research can produce some advancement of comparable importance within the next 20 years. The time may come when a completely engineered agricultural product may become a reality on American farms.

Our research must discover how to produce needed commodities at lower cost per unit in terms of labor and other resources. It must help farmers achieve a balanced expansion as the need arises. It should help them avoid, if possible, alternate surpluses and deficits.

Research attention also must be given to establishment of a contingency reserve of productive capacity—an insurance policy that can be cashed in during emergency, such as was available in 1939 and 1940 when defense needs burgeoned the agricultural task. Such a reserve would also be added insurance for future generations.

Agricultural land and its ability to produce is the very basis of our abundance and our standard of living. With a narrowing margin of land resources, our attention must be concentrated upon building up these resources to full potentials. To produce enough food on the available land for 1975 needs, and even beyond that time with increasing efficiency, we must have a full measure of research, education, and conservation.

THE TIME LAG A FACTOR

The time to begin the intensive effort that will be necessary is now. Time is especially important in research if scientific experiments are to be of maximum usefulness. And if science cannot produce the answers in time, where will we get them?

There seems to be nothing on the horizon at present, either in current research findings or in laboratories, to indicate that a major innovation as startling and far-reaching as hybrid corn will become available to farmers in the next few years. There are important clues, however, which can in time lead to developments of maximum importance. The materials and methods farmers will be using in 1959 or 1960 already for the most part have passed the laboratory and test-plot stages, but additional research, in some cases of considerable proportions, is needed at once if the clues of today are to be developed into

practices, materials, or methods for use when needed after 1960.

Of course no definite time schedule can be set up as to when a major discovery will be made. We do know, however, that biological or chemical problems a scientist begins to work on this year may require several years to solve. It may take several years more to adapt the results and prove their worth in a given system of farming. And then it will take still more time to get the information out and for farmers generally to learn about it and put it to use.

It is this time lag that causes scientists now, in the face of surpluses and perplexing questions as to what should be done about them, to continue pointing out the needs for the years ahead.

PRODUCTION INCREASE NOT AUTOMATIC

Adequate farm production in the future is not an automatic process. The inevitable lapse of time must be reckoned with. The longer the delay in starting the research job, the more difficult it will be to meet the needs. The sheer size of the research task is staggering. It isn't only a question of finding out if something will or won't work. The research responsibility includes also the giving of assurance that the needed food and fiber will not come at too high a cost, and that it will not come too late. It involves, too, a responsibility to help farmers find ways of producing in the volume that will balance with market demands.

The obstacles that must be overcome are large. The will to overcome them must be equally large. Man faces an endless struggle to feed himself. It is not a new struggle. The present abundance, even in the United States, will not erase that struggle from the years ahead. But there is no reason to believe that we cannot, if we take advantage of the opportunities research offers, be ready for whatever may be needed.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 9 minutes to the gentleman from California [Mr. HUNTER].

(Mr. HUNTER asked and was given permission to revise and extend his remarks.)

Mr. HUNTER. Mr. Chairman, I am glad to have this opportunity to discuss briefly the Department of Agriculture appropriation bill for the fiscal year 1955.

The bill in its broad outlines has been well covered in the committee report and in the opening remarks of the chairman of our subcommittee the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

All in all, I think it is a good bill. It will serve our country well—not just those who are engaged in farming and related activities, but the American people generally.

It is my personal opinion that there are within the total amount recommended some items which should be increased and others decreased. However, it is the opinion of the majority which prevails, and in a bill as comprehensive as this one, no one member of the committee can find satisfaction with all items. In order that the record be clear as to how I stand in the matter, I believe it well to comment specifically on several items of particular interest to me, including a number of those where my thinking differs from that as reflected in the bill as reported out.

The bill includes direct annual appropriations for regular activities of $698,410,313. This is $46,282,126 below funds available for 1954. This figure, of course, does not include loan authorizations, the cost of the International Wheat Agreement, or the Sugar Act, purchases and subsidy payments made with section 32 funds, losses to the Commodity Credit Corporation under the price-support programs or purchases of agricultural commodities under the foreign-aid program. This total is the same as recommended in the budget. There are, however, numerous differences in individual items. In other words, there has been considerable reshuffling.

As pointed out in the committee report, the budget sharply curtailed the so-called action programs of the Department, such as the insect-control programs and the program for the eradication of tuberculosis and brucellosis of cattle. The savings thus realized were shifted, for the most part, to research and extension activities. What the committee majority did was to unshuffle much of the reshuffling. It allowed only about one-third of the increases recommended for research and extension and restored in substantial measure the cuts in the action programs.

Now, considering the rather general popularity of Federal participation in such action programs as insect, tuberculosis, and brucellosis control, the Department of Agriculture erred in cutting them in order to justify increases for research and extension. It put the committee on the spot, because if it desired to restore the cuts in the control programs, it was faced with either going over the total budget figure or cutting somewhere else. In view of the urgent need to curtail Federal expenditures wherever possible, it chose the latter course.

RESEARCH AND EXTENSION

Personally, I favor granting the total increases requested for research and extension, that is, $18,182,000, even though in order to do so it means exceeding the budget total. Although the committee majority regarded the budget total sacrosanct when it came to research and extension, it showed no hesitation in adding a whopping $45 million to REA loan authorizations over and above the budget request of $55 million. True, it is a loan authorization, but still it means $45 million more out of the taxpayers' pockets. Furthermore, from the testimony presented, such an increase does not appear to be warranted. Mr. Ancher Nelsen, Administrator of REA, testified that an examination of borrowers' financial condition indicates that many of them have current revenues insufficient to meet their full debt burden, the impact of a portion of which is being delayed by the 5-year deferment period.

The House Committee on Agriculture has devoted many hours to legislation which would provide our agricultural economy with an adequate research and educational program designed to increase efficiency, reduce cost, and improve the quality of agricultural commodities. The legislation which authorized our land-grant colleges is a prime example of recognition by Congress many years ago of the problems facing agriculture and the need of a sound and aggressive program. I need not give the history of the land-grant colleges. the experiment stations or cooperative extension service, for every Member of this body is fully aware of these fine programs and the benefits that they provide for our agricultural people as well as the consumers of this great Nation.

In recent years Congress has passed two pieces of legislation that emphasize the wide support for an expanded research and education program. In 1946 every Member of the House heartily endorsed the Research and Marketing Act which passed Congress without a dissenting vote. We envisioned this act as a major step in the direction of implementing a program which would give our agriculture the research program which is so badly needed—a program comparable to that of industry. That act authorized an appropriation of $61 million over a period of 5 years and further authorized whatever additional amounts which may be deemed necessary thereafter. In the 7 years since the passage of that act, the increases have amounted to only one-third of that specifically authorized. Actually, this modest increase has been eaten up by inflation which means that we have a research program today, in terms of purchasing power equal to the research program that we had in 1940.

Last year the Agriculture Committee reported a bill which would, among other things, authorize increased appropriations for the cooperative extension program in amounts which Congress deemed necessary from time to time. This bill passed Congress with unanimous support. The cooperative extension, as you know, is the program that is responsible for translating the useful results of research to better and cheaper ways of doing things on farms. Congress has provided moderate increases for extension from time to time. However, these increases which have been provided in the last 14 years have also been offset by inflation, and in terms of purchasing power the cooperative extension program is less than that provided in 1940.

It all boils down to this. We are trying to tackle the much more complicated problem of modern farming with an appropriation equivalent to purchasing power of the 1940 research and education program. I have watched with much interest the appropriations made available for these two programs. I have supported appropriations for research and education on every occasion and sincerely feel that appropriations are lagging far behind that needed to solve many of the urgent problems in agriculture. This year it was encouraging to find that the administration had recommended a $10 million increase for agricultural research and a $8 million increase for cooperative extension. However, the House committee has ap-

proved only one-third of the amount recommended. Since 1949, we have not appropriated a substantial increase in research because the Department of Agriculture and the administration have not submitted a request. In the case of extension, we have not increased appropriations because of an authorization ceiling existing prior to enactment of legislation last year. This year these barriers do not exist, and still funds recommended by the committee are not comparable to the problem facing agriculture.

I would like to quote you an extract from the Republican platform adopted by the national convention in 1952:

We recommend expanded agricultural research and education to promote new crops and uses, new markets, both foreign and domestic, more trustworthy crop and market estimates, a realistic trade program for agriculture aimed at restoring foreign markets and developing new outlets at home.

The Democratic platform had a similar statement in support of research and education.

In an address by Dwight D. Eisenhower, Republican nominee for President, at the National Plowing Contest, Kasson, Minn., September 6, 1952, he said:

We must give high priority to the expansion of farm research—particularly research that is the key to wider markets, better packaging, preservation, and more efficient distribution of farm products.

President Eisenhower on a visit to Beltsville, Md., May 26, 1953, made this statement:

Every once in a while, I read in the papers about some wonderful campaign promise which I never made. There is one I did make, however. I said agriculture needs more research and that I would use my efforts to emphasize it. I do hope that everyone who wants to limit the appropriation for agricultural research will first come to Beltsville.

The Secretary of Agriculture, in almost every speech that he has made since taking office, has been in support of an expanded research and education program. I quote an excerpt from an address made by Ezra Taft Benson before the National Institute of Animal Agriculture, West Lafayette, Ind., April 21, 1953:

On my desk is a set of recommendations from the Department's Agricultural Research Policy Committee, asking that we double the size of the research staffs in the Department of Agriculture and in the State experiment stations by 1960—with the larger share of the expansion to be in the States. That is a recommendation to double present research staffs in just 6 years.

It would require adding about $20 million more a year for research for the next 6 years. That committee of able citizens, of which Dean Harry J. Reed, of Purdue University, is one, says, "Experience has proved that scientists can find ways of lifting the production potential of land and labor. They can find ways of preventing waste and using what we have more efficiently. The income from their achievements is shared by all our people."

I do not know of any individual on either side of the aisle who is opposed to an expanded research and educational program. In fact, I know there is almost unanimous support for an expanded program. This has been in the past and always should be a nonpartisan program. It is a program for building a stronger and more prosperous agriculture.

Research has made a great contribution to agriculture. I recognize that important contributions have been made by the extension service, by financing insituations, machinery manufacturers, farm-management specialists, and many others. The alertness and initiative of the American farmer and the American system of free enterprise have been especially important. Nevertheless, in every case, research was the foundation on which these accomplishments were based.

Research was the vital key that opened the way to an average increase of 45 percent in crop yields in the last 25 years, of 20 percent in milk per cow, and of more than 50 percent in eggs per hen. Fifty years ago 1 farmworker produced enough for himself and 7 others; today he produces enough for himself and 14 others.

Hybrid corn has increased average yields about 30 percent, resulting in an increase of at least $750 million in farm income for the Nation as a whole.

Development of rust-resistant grains has added an estimated $500 million a year to farm income.

Forestry research has produced hybrid poplars that yield four times as much wood per acre as the native Maine poplars, while a cross between eastern and western white pine grows twice as high as either parent in 7 years.

Improved grazing practices have permitted good management to produce twice as much beef per acre in New Mexico as was obtained 30 years ago with insufficient know-how.

It was agricultural research that developed the serum that cuts losses from hog cholera by as much as twenty-five to sixty-five million dollars each year.

Better breeds of cattle have made it possible for steers to reach market weight in 15 months instead of 18; and it is not uncommon for newborn bull calves to weigh 25 percent more than 10 years ago.

Use of vitamin B-12 as a feed supplement for chickens produces 3-pound broilers on 2 pounds less feed and in 2 weeks less time than is required using an animal protein diet, which is more expensive.

Research into the habits of the Hessian fly has made it possible to eliminate losses as high as $100 million annually by postponing wheat planting until after the fly lays her eggs in the fall.

Frozen-fruit concentrates, now used in virtually every American home, are the products of a rapidly expanding industry which sprang directly from agricultural research. The Florida industry alone was a $207 million industry last year.

There are many gains to which dollar values cannot be assigned, such as improvements in quality and improved nutritional standards. It was agricultural research that discovered the usefulness of DDT as an insecticide. The value of this chemical to human beings in controlling typhus and malaria has been front-page news; but its effectiveness in controlling fruit and cotton insects, forest and livestock pests is also extremely important.

As we move into mechanized farming using complicated machinery and many new chemicals to control insects, weeds, and diseases, farming is becoming more scientific and more complicated. As the farmer continues to be faced with paying more for what he buys and receiving less for what he sells, he is forced into many of these technological changes in order to reduce his cost and improve the quality of his products. Anything less than this will force him out of business. In the task of everyday farming, he needs the best possible research information, assembled in such a way as to meet the needs of his individual farm. He must continually seek the advice and help of the United States Department of Agriculture, the State experiment stations, and educational agencies. He cannot and we should not expect him to get this job efficiently done with a 1940 research and education program.

FREEZING OF APPROPRIATIONS

The committee report takes the Department to task for what is called freezing of appropriations of the action agencies. Particular concern is expressed over the freezing of about $1 million of funds of the Farmers' Home Administration, allegedly at the expense of essential field activities, which money, it is reported, was turned over to the Extension Service.

Now, granted it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department, still the Secretary of Agriculture has a responsibility to American taxpayers to administer these programs, as economically as possible, consistent with adequate and proper service. If it is possible to do the job with fewer personnel, which means less of the taxpayers' money, and the job can be done as well or better, then the Congress and the American people ought to be thankful and pleased.

I was very much impressed with the testimony of Mr. R. B. McLeaish, the Administrator of Farmers' Home Administration. He appeared to me to be an able and sincere man. He declared that he was convinced FHA could carry on efficiently and satisfactorily with fewer personnel, even including the administration of the disaster loan program.

It is interesting to note that even with a proposed 17-percent reduction in personnel, the number of loan portfolios per supervisor will be less in 1955 than it is in 1954, even though the level of production and subsistence loans will continue about the same. What is happening is that loans are fewer but in larger amounts. This reflects the increase in the operating capital needs of farmers.

If Mr. McLeaish believes that he can provide equally, if not more, effective service to applicants and borrowers with less administrative overhead, I should think it is at least worth a try.

FOREST SERVICE—RECREATIONAL AREAS

Last year the committee recommended an increase of $250,000 over the budget

request for sanitation, cleanup, fire prevention, and rehabilitation of recreational areas and campgrounds of the national forests. This recommendation was accepted by the Congress and a total of $940,000 was appropriated. This year the budget request is identical with that amount and the committee approves it, although recognizing that more is needed.

The $250,000 increase for 1954 has been used as a special fund to take care of the more urgent needs at the larger and most heavily used campgrounds and picnic areas where there have existed acute cleanup and sanitation problems. The fund was used to alleviate or correct the most pressing needs for sanitary facilities, such as toilets, to improve water systems where they were deficient, and to bolster cleanup services.

The money was allotted to the regions on the basis of need. California received $56,000, the largest amount received by any State but completely justified in terms of use and population. The regional forester and the forest supervisors used the funds on the areas which were in the greatest need, such as Bass Lake and similar areas in the national forests.

I trust that the Forest Service will make equally effective use of its funds for this purpose during fiscal 1955, as well as moneys available out of funds for protection and management, which for 1955 will be slightly less than the $570,000 available for 1954.

The proposed appropriations are still woefully inadequate. Overcrowding at many large public-use areas and the fact that practically no new areas have been developed since World War II, plus the deteriorated condition of many areas, are making the care, policing, and maintenance of the existing facilities more difficult and costly. Sanitation is a serious problem throughout the national forests and is aggravated by overcrowding. Inspections made by the United States Public Health Service and State and local sanitary officers show that many national-forest, public-use areas, especially the larger areas, are not satisfactory and should have better toilets, water systems, and garbage disposal.

Continuing efforts are being made to obtain greater participation by local communities in the management of local public-use areas, and in increasing the number of concessioner-operated installations, in order to reduce the burden of maintenance on the Federal Government. Although these efforts continue, progress is limited in relation to the total job involved. It appears quite certain that this approach will not answer the real problem of urgently needed improved sanitation and care of public campgrounds.

Existing facilities are completely inadequate. They are geared to take care of about half of the more than 30 million annual visits now being made. I asked the Forest Service what it would take to do the job right. This is the answer I received, and it sounds reasonable to me.

One million and seventy-one thousand dollars is needed annually for sanitation, cleanup, garbage disposal, fire prevention, and supervision at existing recreation areas. One million one hundred and ninety-seven thousand dollars is needed annually for maintenance, improvements, and facilities at existing recreation areas. These figures total $2,268,000, which are to be compared with the 1955 proposed figures of $940,000 and $570,000 totaling $1,510,000.

Additional capital investments needed for recreation-area improvements and facilities are not even considered in the 1955 budget. Seven million one hundred and sixty-nine thousand dollars are needed to provide satisfactory facilities for sanitation, fire prevention, and public safety and to put all essential existing public-use areas and facilities in safe and sanitary condition. Seventeen million one hundred and thirty-five thousand dollars are needed to expand the capacity of existing areas and to construct new areas necessary to accommodate present use in a safe and satisfactory manner. This program is proposed for 5 years; however, it could be extended to 8 or 10 years, thus decreasing the funds needed for capital investment each year.

It is estimated that when the program is completed, the total annual cost of the whole recreation job will be $3,200,000. The exact amount, of course, will depend upon the volume of public use and the purchasing power of the dollar at the time.

The forest-recreation problem is one which merits the attention of Congress. It is not being satisfactorily met at the present time. The situation is serious. It not only merits the attention of Congress but also the executive branch of Government. I earnestly hope that the Department of Agriculture and the Bureau of the Budget will see fit in the 1956 justifications to make more generous and more realistic recommendations for this purpose.

FOREIGN AGRICULTURAL SERVICE

As stated in the committee report, the Foreign Agricultural Service administers the foreign agricultural programs of the Department and develops plans and policies related to the administration of the foreign affairs and interests of United States agriculture. The primary objectives of the Service are to develop foreign markets and encourage foreign trade, and administer import controls on designated agricultural commodities.

Since Secretary Benson has taken office, this agency has been reorganized in order that it could better carry out its objectives. Last year, I expressed the hope that this reorganization would effect a real change and not represent merely a juggling of squares on an organization chart. I am happy to report that this hope is being realized. Emphasis is being reoriented toward developing offshore markets for our agricultural production, including the sending abroad of commodity specialists acquainted with the producton and trade problems involving these commodities and capable of analyzing the complex foreign market situations for the guidance of the Department and the producers and exporters of these commodities.

In addition, this month three trade missions made up of leaders in American agriculture have departed from the United States to conduct investigations in Europe, Asia, and South America for the purpose of finding ways and means to increase exports of American agricultural commodities.

At a time when a surplus of agricultural products constitutes the most serious and most perplexing problem facing American agriculture, the work of the Foreign Agricultural Service in seeking to develop foreign markets is of paramount importance.

The committee recommends $965,000 for this activity, which represents an increase of $124,100 over 1954. In addition, section 32 funds will be available. It is the feeling of the committee that these funds should be fully and effectively utilized for all legitimate purposes, including the training of new and young men to carry on the work of the Service.

SCHOOL-LUNCH PROGRAM

The committee recommends a total appropriation of $77,011,416, an increase of $9,011,416 over the budget and a decrease of $6,224,781 below the 1954 appropriation.

The budget recommends the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act, for which $15 million was appropriated in 1954. The committee disagrees with the budget and recommends the restoration of $9,011,416 for this purpose in 1955, the maximum amount possible within the overall budget total.

The purchase of foods under section 6 has helped schools meet nutritional requirements and provided a balanced diet. While there has been an increase in the amount of surplus commodities acquired for school-lunch programs with section 32 funds, a great many of such commodities are not identical in kind or in nutritional characteristics with those purchased under section 6. In order to meet nutritional requirements and provide a balanced diet there is still a vital need for section 6 purchases, particularly fruits and vegetables.

Furthermore, section 6 purchases have been comprised for the most part of commodities which have sought to solve their production problems without the aid of Federal price-support programs.

The witnesses who testified before our committee, both officials of the department and outside witnesses, were unanimous in the opinion that section 6 purchases where highly desirable and of great value to the program. It is my personal opinion that such purchases should be maintained at the current level of $15 million.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from West Virginia.

Mr. BAILEY. Of the service activities that were curtailed in the budget, what percent did you restore? I am talking about insect control and the inspection of beef cattle and dairy herds.

Mr. HUNTER. I do not have the exact percentages, but I will say that they were restored in substantial measure to the current level, that is, the payments being made during the current fiscal year 1954.

Mr. BAILEY. I think the committee did an excellent job in doing that, but I wondered to what extent they had been restored on a comparative basis with 1954.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Chairman, I wish to commend the gentleman from California [Mr. HUNTER] for the great interest he has shown in the school-lunch program. Although the committee was unanimous in restoring a portion of the $15 million for section 6 purchases cut out completely by the Bureau of the Budget, it is only fair to say that the gentleman from California was exceptionally vigorous in pressing for a restoration of the funds and explaining the great value of section 6 purchases to the school-lunch program.

Mr. MARSHALL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, as a member of your Committee on Appropriations I have thoroughly enjoyed working the past 2 sessions with the Committee on Agricultural Appropriations. I do not believe we could have a more congenial group. While we have not agreed, and quite often have disagreed, we have handled our hearings in a most gentlemanly way. I certainly have been given every bit of consideration on the minority side that I could hope to have. I could not say anything too kind for the members of the committee I have worked with.

Mr. Chairman, as a member of your Subcommittee on Agricultural Appropriations, I keep asking myself the question: Can we afford the farm program offered by President Eisenhower and Secretary of Agriculture Ezra Taft Benson?

The answer that keeps coming to mind is that even a nation as rich as our's cannot afford to indulge in the extravagance of a farm depression, wasteful of both human and material resources, in such programs as have been offered.

Every Member of this House knows that agriculture is one of our basic industries. More than half of all the raw materials used in the country come from our farms and ranches. About one-third of the total United States buying power is on farms and in the towns and cities serving them. About 2 out of every 5 working people in this country are employed either in agriculture or in industries directly related to agriculture.

Agriculture has functioned effectively and efficiently over the last decade or more. We are eating 10 to 12 times better than we used to. We are eating more of the better foods. An hour of work will buy more food than it could ever buy in the past.

When you tamper with agriculture, Mr. Chairman, you are tampering with a taproot of our national economy. The Secretary of Agriculture has taken a number of actions that have hurt the farmer. The President and his Secretary have made proposals which, in my opinion, will further weaken the position of this basic industry. This is an extravagance we cannot afford at a time when business has fallen off, many people are out of work, and there is no telling what may happen in the Far East.

I have always had an open mind about revision of agricultural programs. But I want the revisions to give us something better; not something worse.

Our basic farming industry is in trouble. Prices have fallen. Costs have stayed high. Income has fallen. Buying power is off.

Farmers have been in a depression for a year or more. Farm prices have dropped 11 to 12 percent in the last year. The cost of things the farmer uses in production—except those things he produces on the farm itself—have increased 3 percent.

Net farm income last year dropped 5 percent below 1952, and 13 percent below 1951. Last year farmers received the smallest share of the national income they have obtained since the worst years of the depression—only a little over 5 percent of the total.

The buying power of farmers' net income in 1953 was the lowest since 1940. It was 16 percent below the average for 1948–50, according to Department of Agriculture figures. While farm buying power has declined, total United States buying power has increased, last year it was approximately 17 percent over the 1948–50 average.

I mention these facts to point out that this is a poor time to be kicking agriculture in the teeth. It is a poor time not only for the sake of farmers, but for all the people. It is important that the distress in agriculture be kept from spreading to other parts of the economy. It is important that the buying power of farmers be restored as rapidly as possible.

But what happens, Mr. Chairman? The President and his Secretary of Agriculture come out with a program calling for less production, and at lower prices. They come out with a program that means just as much control over acreage and marketings as any program ever proposed by any previous administration—and throw in lower price supports to boot. They propose helping the farmer by keeping him from earning as much.

They propose to help agriculture by reducing farm buying power; putting less reliance upon farm income and more upon credit; increasing the size of farm mortgages; piling up a greater accumulation of farm debt; in other words, repeating many of the same mistakes that help to get us into trouble the other time.

It is like trying to save a drowning man by pushing his head under water every time he comes up for air.

In the last year, Mr. Chairman, we have had the spectacle of a Secretary of Agriculture crying calamity across the country because we have an abundance of food. The pages of the press are filled with speech after speech by the Secretary of Agriculture deploring the tragedy of plenty before the best fed people in the world. People who are buying more food for every hour of work than ever before are being urged to rise up against the programs that have helped to make this bountiful production possible.

Our food, he says, is being priced out of the market at home and abroad. Does the Secretary propose pulling farm prices down to world levels? Does the Secretary of Agriculture propose world prices for American industry and American labor? Is it being proposed that the American farmer shall again be placed in the disastrous position of selling at world prices and buying the goods he needs on a price-controlled domestic market? Is the ghost of Reed Smoot stalking through the economic policies of the Eisenhower administration? If that be true, Mr. Chairman, that is an extravagance we cannot afford. Yet repeatedly our respected colleague, Mr. WHITTEN, has asked why more of our farm products are not being offered on the world market at competitive prices. You will note a chart on page 1139 of the agricultural appropriation hearings; I quote the footnote:

> There was a striking difference between United States agricultural exports in 1910–34 and in 1935–52; such exports remained high longer after World War II than after World War I, when they declined rapidly. In the early post-World War II period, the high levels were made possible by large United States economic aid, which recently has progressively been reduced; however, improvements in foreign dollar earnings, partly due to our rearmament program, have helped to maintain a high export level. In 1952–53, owing to a greatly eased supply situation outside the United States, exports declined sharply to a post-World War II low.

This decline of agriculture exports is costly to the American farmer.

Our present programs, the Secretary says, glut our markets with price-depressing surpluses. It is my humble opinion, Mr. Chairman, that the Secretary, instead of condemning our abundance, ought to be grateful and thankful that it is surpluses we have to deal with, not shortages and famine.

Many people feel that these bountiful harvests should be used for the benefit of mankind in providing one of the tools toward lasting peace. I join with Mr. WHITTEN in asking why the Secretary of Agriculture does not act.

Why is the Secretary so convinced that the present price-support program will not work? He blames the price-support program for almost everything. What has he proposed instead—lower farm prices, less acreage and more and more controls. I submit, Mr. Chairman, that consistency is not a jewel with which the Secretary of Agriculture is blessed. I have seen few people who try to ride an economic horse in so many different directions at the same time.

The Department's action in cutting dairy price supports to 75 percent of parity will cost dairy farmers at least half a billion dollars in income during the coming year. Some dairy experts put the loss still higher. Even Secretary Benson said at a recent press conference the Department estimated the

loss at $300 million. Not only will dairy farmers take a loss in cash income. They will take another loss in inventory value of their cow herd, which declined $1.2 billion during the last year.

The Secretary's new dairy price support program is, I am afraid, a dairy depression program that makes a flat cut in dairy income and takes no account of dairy costs. This program is neither fish nor fowl. It is too weak to support the farmer. It is not strong enough to give the consumer much advantage in lower prices.

I do not wish to belittle the problem of food surpluses. Some of them are real enough. Our reserves above ground are ample, but I do not believe they should be used to pit one economic group against another.

It is well to remember in these uncertain times that a nation producing more than enough food for its own population is in a very strong position with regard to the rest of the world. I have not the slightest doubt that our so-called surpluses, properly handled, can do more permanent damage to communism than our Army, and at far less cost.

I wish, Mr. Chairman, that officials in the Department of Agriculture would spend as much energy doing something about increasing our reserves in the soil as they are worrying about our reserves above the ground. Our food surpluses are a transient, passing thing. They are going to be with us from time to time, but they need not be a basic worry. Our population is increasing so fast that the Agricultural Research Service estimates we will have a cropland deficit by 1975 of well over 100 million acres.

The only way we can make up that cropland deficit is to increase yields per acre. We have for the time being good reserves above ground. Let us do more to build up our food reserves in the soil.

The chairman of our committee, Mr. H. CARL ANDERSEN, my colleague from Minnesota, who I am proud to be associated with, has joined with me in urging the Department to adopt a program to use diverted acres so as to encourage conservation uses. We proposed that the Department of Agriculture could cooperate with farmers in encouraging the using of this land to build up and store fertility rather than producing surplus crops to go into warehouses at high storage costs. This would be economy but the Department recommendation of $55 million is completely unrealistic. Another example of too little, too late. And I might add, an extravagance in frittering away funds without solving the problem.

What has happened to the action programs of the Department of Agriculture which have meant so much to the welfare of our whole Nation? Is the Department so dedicated to providing that "spur of insecurity" necessary to building moral fiber that it feels that farmers should be denied any of the advances of our atomic age? It is impossible for us to accept the new doctrine which seems to deny Joseph's advice to prepare in fat years for the lean years by urging consumers to rise up against the farmer. I ask this House, Mr. Chairman, what end can be attained by playing one economic group against another and by destroying the programs which have made us well fed, well clothed, and well housed?

Why has the Secretary of Agriculture recommended that funds for the control of animal and plant diseases be curtailed?

Why has he urged that funds to carry on the work of the Forest Service and the Soil Conservation Service be curtailed?

Why does he propose to curtail the work of the Farmers Home Administration?

In a land of plenty, why should we curtail the school lunch program?

These are questions your subcommittee asked. We could not understand the lack of action on these important established programs. And we have tried, by unanimous action, to make clear to the Department of Agriculture that the Congress of the United States is determined that these program be carried out as Congress intended them to be.

The language of the report is admittedly strong language. But the time is here for bold and resolute action if we are to preserve the basic strength of our farm programs. Strong language is necessary if we are to stop the apparent attempt to sabotage action programs authorized by the Congress by administrative decision and budgetary juggling.

Very simply, our report reminds the Secretary of Agriculture that Congress—elected by the people of the United States—still makes the laws. Our committee, and every other committee of Congress so concerned, has given the Secretary every opportunity to propose changes in our laws. We have listened both hopefully and patiently to such proposals as he has made. But it is still our responsibility to legislate, to respond to the needs of our people, and to pass the laws that will best serve these needs.

By the same token, it is part of our responsibility to see that these laws are carried out and that the tools we provide for the betterment of agriculture are wisely used. Without any intent to arrogance, the report reminds the Department of Agriculture that while it may and should propose, it is the duty of Congress to dispose.

President Eisenhower's Secretary of Agriculture reassures us at regular intervals that he will support and administer the laws of Congress.

He comes to us with a plan based on one of the wierdest economic theories known to modern man; namely, that by cutting the price the farmer receives for his products and by cutting the acreage he can plant, we will help to increase his income. It is like telling a sailor in a sinking boat to grab a pail and pour water in faster so that he will reach salvation sooner. Farmers are not being taken in by slick talk and broken promises. They know that if the Secretary is sincere about administering price support programs as they are written by Congress he would bring in at least one top administrator who believes in the full parity concept of price supports.

The Committee on Agriculture of this House last year very commendably undertook hearings across the breadth of this land and I understand that they found large numbers of able and intelligent people who still believe that farmers are not to be condemned for seeking economic equality. Hearings held before that committee indicated a preponderance of sentiment in favor of continuing price support programs.

Your subcommittee on appropriations for the Department of Agriculture has witnessed the widespread concern expressed by many responsible people over the attitude of the Department's officials toward farmers and farm programs. We know that our colleagues are aware of the apprehension that clouds any discussion of agriculture today.

Our job is to see that the American farmer and the American taxpayer get dollar-for-dollar value for the money we spend. As a member of the Committee on Appropriations, I am sorry to report that I have seen the lack of sound action prove expensive to our country. I have seen, also, other action taken which has proved to be highly extravagant.

Thomas Jefferson was a wise farmer and a great leader and all of my farmer neighbors today would agree with him when he said:

> Equal rights for all; special privileges for none.

That is all that the American farmer asks—that he receive a fair return for his labor and a chance to continue his way of life in reasonable security for himself and his family. To give him less is to waste the human and material resources with which our Nation is blessed. It is blind extravagance because we all know that without the base of a solid and healthy agriculture, our society and our Government must of necessity weaken and collapse.

With this thought I remind you of the words we see each day this House meets, carved into the marble above the Speaker's rostrum, the immortal words of Daniel Webster:

> Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered.

This worthy injunction should be a constant inspiration to us and it is appropriate that the first emphasis should be placed upon developing the resources of our land since all the other fruits flow from this. This has been the aim of your subcommittee in bringing this bill before you today, and I know that every Member of this House shares in this earnest desire to do what we must do to fulfill the destiny that is our country's.

But I must repeat, Mr. Chairman, that we cannot afford the luxury of do-nothingism and the extravagance of hesitation and confusion at a time when the welfare of our basic industry is at stake and with it, the economic welfare of every man, woman, and child who eat their daily bread in the secure knowledge that our soil, in the providence of God, contains still untold wealth if we are both wise and good in its use. Instead of deploring the abundance given us by careful cooperation with nature, we are humbly grateful that we have been able to produce for the greater strength and safety of our Nation.

The feeling has prevailed that action programs have been curtailed to provide funds for the Extension Service. Do you think any county agent is going to be liked to be placed in the position where he must work with this particular agency under that kind of handicap? You are putting an albatross around his neck.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman [Mr. MARSHALL] has been a consistent supporter in our subcommittee for Extension, Research, Farmers Home, REA, and Forestry, and soil-conservation programs. We have had put before us a budget proposal which was distinctly out of balance and we have tried to do the best we can to meet the proposed increases. But, after all, there is a limit as to how far we could go, and yet do justice to these action programs which mean so much to agriculture and in which the budget proposed harsh decreases. The gentleman, my colleague from Minnesota, has been a splendid addition on the minority side of our subcommittee.

Mr. MARSHALL. Long before I came to the Congress, I heard of the interest that the chairman of our committee, Mr. H. CARL ANDERSEN, has in the Extension Service and the research program. That is a matter of record in our State. I can say the same thing about every member of our subcommittee, and perhaps all of the Members of the Congress. That is what they are interested in. It is not a case of not being interested in agricultural research. It is not a case of not being interested in the Extension Service. It is a case of being interested in getting the most value and getting the most efficient and best working conditions that we can. What the House may do later on is also for the House to determine. Your committee has come here with what we think is a balanced appropriation bill for the Department of Agriculture, and one which we think is not only a protection to the farmers and taxpayers and consumers of this country. We hope that the members of this committee will sustain the action of your Committee on Appropriations.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the distinguished gentleman from West Virginia who has long been interested in all of the problems that face the citizens of this country.

Mr. BAILEY. There has been considerable discussion on the question of the hot-lunch school program. There is an impression being created, or being attempted to be created, that it will be a better program than the one in the current budget. I know that it envisions using a larger percentage of surplus farm products. I know that the committee attempted to liberalize it by restoring $9 million of the proposed $15 million cut. Will not the program be approximately $6 million short of the program for the present year? I wish you would explain to the Members just what your reasoning and thinking was along that line.

Mr. MARSHALL. I am glad the distinguished gentleman from West Virginia raised that particular question because there have been a number of inquiries on that. People have looked at the item and they have talked in terms of the Department of Agriculture recommending a cut of $15 million in the funds for the school-lunch program. They have looked at the fact that the committee restored $9 million of that cut, which is still approximately $6 million below the budget request, and they say as far as that is concerned that the committee may be being tight with the school-lunch program. I want to say to the members of this committee that the Department of Agriculture has on hand a great stock of commodities. A stock of commodities that have accumulated rapidly, if you will, in the past year—butter, cheese and other dairy products. Those items can be used to supplement the school-lunch program. Your committee felt that in restoring this $9 million, that one of the things that we ought not to lose sight of is that we retain as well as we can a balanced diet for our school children. The health of our school children comes above and beyond the amount of supplies that we have accumulated under the Commodity Credit Corporation.

It is the idea of your committee that we will try to the best of our ability to provide for our school children a balanced diet through the school-lunch program, and your committee feels that with proper use and proper encouragement given the Department of Agriculture to use as many of these commodities as they can in a balanced diet that the school-lunch program will have not less but more commodities and more funds to work with than they have had this past year.

Mr. BAILEY. Did your committee in its report indicate to the Department of Agriculture that the Commodity Credit Corporation should be more liberal in the distribution of these products? There has been no limit on them over the years, has there?

Mr. MARSHALL. There has been no limit as far as supplies of the Commodity Credit Corporation that can be used in the school-lunch program are concerned; the gentleman is absolutely correct. However, supplies have accumulated for this past year I may say to the gentleman from West Virginia so that with the accumulation of supplies more can be done in the future.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. This fiscal year of 1954 it is estimated that more than $100 million of section 32 funds will be used as of June 30 in the school-lunch program. It is also anticipated that the next fiscal year an additional $50 million beyond the $100 million will be used for the same purpose.

Mr. BAILEY. Has there been any official authorization for the extra $50 million?

Mr. H. CARL ANDERSEN. It is not necessary, I may say to the gentleman from West Virginia; it is just administrative procedure.

Mr. MARSHALL. And I would like to say to the gentleman from West Virgina that I am sure every member of our subcommittee wants every kind of commodity that we have in the Commodity Credit Corporation to be used to the extent necessary for a balance diet for our school children.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. LAIRD. I would like to point out to the gentleman from West Virginia, my good friend [Mr. BAILEY], that the department has been very generous in its use of section 32 funds for the school-lunch program. For fiscal year 1953 approximately $50 million was made available for the school-lunch program. That was increased to $120 million for the fiscal year 1954, and we have assurances from the department that approximately $150 million will be spent during fiscal 1955.

Mr. BAILEY. I would say to the gentleman from California that probably the situation could be improved if the House would go along with my idea of including wheat in the distribution, because wheat supplies a much needed item in the school-lunch program, flour.

Mr. LAIRD. The gentleman may be sure that our committee will give it every consideration.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from West Virginia.

Mr. NEAL. I believe we understand from the gentleman's remarks that the additional commodities made available to be supplied from the Commodity Credit Corporation to the school-lunch program will adequately take care of that lack of $6 million in appropriations.

Mr. MARSHALL. That is not only my opinion, but it is also the opinion of the committee.

Mr. NEAL. In other words, the gentleman does not feel that the present $9 million the committee is asking for will in any way injure the school-lunch program.

Mr. MARSHALL. That is correct.

Mr. LAIRD. If the gentleman will yield, answering the question of the gentleman from West Virginia, I personally feel that the school-lunch program would be better served by the restoration of the entire amount of $15 million, but by making available a larger amount of section 32 funds for purchases, for example, this gives them an increase of $30 million, and there should be more money available to the school districts for the purchase of some of these commodities. The Government has therefore permitted the use of section 6 funds; but, as far as the diet and nutritional characteristics are concerned, they can strike a dietary balance through the use of section 32 funds coupled with section 6. Section 50 is made up for the most part of fruits and vegetables.

Mr. MARSHALL. I know that the gentleman from California agrees with my statement that we should have not only as adequate a school-lunch program as we have but also one that will be subject to some little expansion.

Mr. HUNTER. Certainly. I may say that the gentleman from Minnesota has taken a very keen interest in the school-lunch programs during our entire period of hearings.

Mr. NEAL. I take it this recommendation serves a dual purpose of increasing the efficiency of the school-lunch program and at the same time diminishing our surplus supply.

(Mr. MARSHALL asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, the Subcommittee on Agriculture of the House Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill of the Department of Agriculture. As a member of this committee, I would be remiss if I were not to express my sincere appreciation for the splendid help and cooperation afforded me during the hearings and markup of this bill by the other members of this subcommittee. The chairman of this subcommittee, the distinguished gentleman from Minnesota [Mr. H. CARL ANDERSEN] has served for a good many years on this important subcommittee and has a very thorough understanding of the work of the Department of Agriculture and its many bureaus and divisions. The gentleman from Washington [Mr. HORAN] has an intimate knowledge of forestry problems, or conservation, foreign agricultural marketing, and of agricultural research. The gentleman from California [Mr. HUNTER] understands most clearly the work in agricultural research and the problems of agriculture in the Far West. On the minority side of the subcommittee, the gentleman from Mississippi [Mr. WHITTEN] brings to the committee his store of knowledge in relation to agriculture gained from his 11 years' service on this subcommittee. During 4 of these 11 years, he served as chairman of the subcommittee under the Democrat administration. The gentleman from Missouri [Mr. CANNON] and the gentleman from Minnesota [Mr. MARSHALL] have cooperated in every way possible in helping to maintain on this subcommittee a bipartisan approach to the financial problems facing agriculture.

The Subcommittee on Agriculture of the Appropriations Committee began its hearings on the Department of Agriculture appropriation bill on Thursday, January 28, 1954. These hearings and committee meetings continued until April 9, 1954, when our committee report and the bill which we have under consideration today was reported to the full Appropriations Committee. This bill received the unanimous approval of the full Appropriations Committee and is before us today for the consideration of the House of Representatives. This afternoon it is my privilege to explain to the Members of this great legislative body several important parts of this appropriation bill making appropriations for the Department of Agriculture for the fiscal year 1955. Our committee was not unanimous on its opinions regarding every item in this appropriation bill. As a matter of fact, there were several items which were included in this bill at a higher figure than I thought was absolutely necessary and there were several budget items which were reduced to a figure below the appropriation which I thought was necessary. However, in the spirit of cooperation and of compromise the differences in opinions between the members of our subcommittee were resolved as best they could be and we arrived at the appropriations which are included in this bill. The bill certainly will provide adequately for all the services which our Federal Government should provide in fiscal year 1955.

The bill as reported by the House Appropriations Committee includes direct annual appropriations for the regular activities of the Department of Agriculture of $689,410,313, loan authorizations for the Rural Electrification Administration and the Farmers Home Administration of $320,500,000, an administrative expense authorization for the Commodity Credit Corporation of $18 million, an appropriation of $331,500 for special activities, and administrative expense limitations for the Farm Credit Administration of $6,250,000. The amount recommended for the regular activities of the Department is $36,282,126 below funds available for 1954 and loan authorizations proposed are $64 million below authorizations for 1954. The administrative expense limitation proposed for the Commodity Credit Corporation is $1,100,000 below fiscal year 1954 and the administrative expense funds recommended for the Farm Credit Administration are $89,500 over 1954 authorizations.

The following summary sets forth the committee action with respect to the various items in the bill:

Item	Approved, 1954	Department request, 1955	Committee recommended, 1955	Bill compared with—	
				1954 approved	1955 estimates
Regular activities	$734, 692, 439	$698, 410, 313	$698, 410, 313	$36, 282, 126	
Loan authorizations	384, 500, 000	275, 500, 000	320, 500, 000	−64, 000, 000	+$45, 000, 000
Commodity Credit Corporation	19, 100, 000	18, 000, 000	18, 000, 000	−1, 100, 000	
Special activities	130, 439, 500	331, 500	331, 500	−130, 108, 000	
Farm Credit Administration	6, 160, 500	6, 305, 000	6, 250, 000	+89, 500	−55, 000

RESEARCH AND EDUCATION VERSUS ACTION PROGRAMS

The committee has presented to it a budget which sharply curtailed its so-called action programs and placed emphasis on the research and extension activities of the Department. Increases totaling $18,182,000 were included for research and extension programs, while decreases of $29,327,634 were proposed for the Forest Service, Soil Conservation, Federal Crop Insurance Corporation, Rural Electrification Administration, Farmers Home Administration, and the school-lunch program. In addition, decreases of $3,440,203, were proposed for disease and pest control, and inspection grading, classing, and standardization of agricultural commodities.

The committee agreed that the research and educational programs must be kept strong and effective to develop new and improved methods of meeting agricultural problems and to encourage wider use of research results on the farms of the Nation. A few years ago the commitee made a determined and successful effort to increase the funds for the Extension Service by several million dollars. The committee initiated the action which resulted in the adoption of legislation last June removing the appropriation ceiling for the Extension Service. Further, the committee was successful last year in adding $1,700,000 to the research appropriations of the Department.

In this bill, the committee has gone along with increases for research and extension as far as possible within budgetary limitations. Approximately 30 percent of the increase proposed in the budget for the State experiment stations is included in the bill. Over 45 percent of the increased appropriations recommended for the Extension Service has been approved. It should be pointed out that these are the largest increases ever recommended in the history of these two programs. Regardless of this fact, I personally favor the requests of the Department of Agriculture on these two items and will continue my support of further increases in these appropriations.

The committee report did not agree however with recommendations contained in the 1955 Budget substantially reducing the Federal action programs, and has restored some of these cuts. It recommends that the Department should continue a level of operation for such programs which will hold the line until the additional research and education has provided better answers to the Nation's many problems on the farm. The severity of problems resulting from prolonged drought and loss of farm income makes it imperative that funds for the Farmers Home Administration be maintained somewhere near existing levels. Due to the need for some central authority to coordinate insect-control programs and provide uniform quarantine regulations, the committee believes it inadvisable to further sharply curtail these programs at this time. Neither does it agree with the proposed elimination of funds for indemnity payments for the control of tuberculosis and brucellosis of cattle. It is to be noted that no agreements or other arrangements have been made for the States to take over these insect and disease control programs, even if they could handle them.

It is hoped that such an arrangement can be worked out.

Due to the fact that some 40 percent of the crop land of the country has been severaly damaged or lost entirely, and an additional 20 percent is at present undergoing severe erosion, the committee did not agree with the cuts proposed in the soil conservation and flood prevention activities of the Department. It questioned the advisibility of curtailing programs of the Forest Service having to do with the protection and reforestation of the national forests, and disagrees with the efforts to eliminate the cooperative programs for forest tree plantings and management on State and private lands.

BASIS FOR BUDGET REDUCTIONS

The total appropriations included in the bill as reported to the House for the regular activities of the Department are the same as the amount recommended in the 1955 budget. This is an overall reduction of $36,282,126 below the level of appropriations for the current fiscal year, a cut of nearly 5 percent. The committee has gone along with this reduction, in view of the urgent need to curtail Federal expenditures whenever possible. It believes, however, that this is a rather substantial cut in view of the fact that the appropriations of the Department have been carefully held down through the years. The committee report states that since 1940, the regular funds of the Department have been reduced by 32 percent, while appropriations for the balance of the Federal civilian departments and agencies have increased 110 percent.

In arriving at final decisions on amounts recommended in the accompanying bill the committee has taken into consideration testimony from Department of Agriculture witnesses to the effect that many of the reductions proposed in the 1955 budget were made on an arbitrary and unrealistic basis. Under cross examination, many of these witnesses frankly admit that they were not in accord with the reductions they were asked to support, since such reductions were the result of the imposition of arbitrary ceilings, rather than the elimination of unessential activities or other administrative savings. This fact was clearly brought out in the questioning of the Soil Conservation Service.

FREEZING OF APPROPRIATIONS

Another development investigated by the committee was the action taken last fall to freeze the funds of several action agencies. This action was taken only a few months after the Department had presented testimony to the committee strongly supporting amounts even in excess of the funds finally approved by Congress for the current fiscal year.

The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not believe that funds should be impounded where it destroys the intent of Congress as to the nature of the programs of such agencies as the Soil Conservation Service, the Farmers' Home Administration, and so forth. I recognize that due to the national-debt limitation some curtailment might have been or may be necessary. If this be the case the Bureau of the Budget and the Department of Agriculture should clearly state this as the reason. The Department should not merely curtail the program because it disapproves of the action of the Congress.

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service was established by the Secretary of Agriculture on November 2, 1953, under the authority of section 161, Revised Statutes (5 U. S. C. 22), Reorganization Plan No. 2 of 1953, and other authorities. It conducts all of the production and utilization research of the Department (except forestry research), and the inspection, disease and pest control and eradication work closely associated with this research. These activities were previously conducted in various bureaus and agencies mostly in the farmer Agricultural Research Administration.

The Administrator of this Service is also responsible for the coordination of all research of the Department.

The program of the Agricultural Research Service is organized under three areas of activity as follows:

First, research is conducted under five major cotegories: (a) crop research; (b) farm and land management research; (c) livestock research; (d) human nutrition and home economics research; and (e) utilization research.

Second, regulatory activities are conducted under three major categories: (a) plant disease and pest control; (b) animal disease and pest control; and (c) meat inspection.

Third, the Service administers the Federal-grant funds for research at the State agricultural experiment stations and operates experiment stations in Puerto Rico, Virgin Islands, and Alaska.

The Agricultural Research Service also carriers emergency programs, when necessary, for the control and eradication of animal diseases, such as foot-and-mouth disease and vesicular exanthema of swine, and for the control of emergency outbreaks of insects and diseases. In addition, research on the feasibility of developing domestic sources of supplies for agricultural materials designated as strategic and critical by the Office of Defense Mobilization is conducted upon their recommendation or approval.

The Agricultural Research Service maintains a central office in Washington, D. C., and operates the 12,000 acre Agricultural Research Center at Beltsville, Md. However, most of the work is conducted at approximately 550 locations in the United States, Territories and possessions. Most of the work is conducted in cooperation with the State agricultural experiment stations and with other agencies, both public and private. On November 30, 1953, there were approximately 12,242 full-time employees, distributed 2,713 in the departmental service and 9,529 in the field service:

Appropriations, 1954	$78,734,723
Recommended, 1955	82,059,453
Comparison: 1954 appropriations	[+3,324,730

Research: The committee recommends a total of $33,154,365 for 1955, an increase of $252,000 over appropriations for 1954. This increase provides $50,000 for research on nemotodes, $150,000 for research on irrigation in arid and humid areas, $75,000 for research on cotton utilization, and $15,000 for research on cheese mites at University of Wisconsin. These increases are offset by a reduction of $38,000 for the National Arboretum.

Plant and animal disease and pest control: The committee recommends a total of $17,461,380 for 1955, a decrease of $459,270 below the 1954 appropriation and an increase of $2,461,380 over the budget. The decrease includes the following reductions: Citron blackfly and Mexican fruitfly control, $29,500; Hall scale eradication, $35,200; grasshopper and mormon cricket control, $19,100; detection and advisory service, $87,600; emergency outbreaks of insects and plant diseases, $200,000; Insecticide, Fungicide, and Rodenticide Act, $76,763; plant quarantine, $86,400; eradicating scabies, $18,547; eradicating cattle ticks, $58,552; control of virus, serums, toxims, and so forth, $41,808; and administration of the Process Butter Act, $5,800.

Offsetting these decreases, the bill provides an increase over the Department request of $1 million for the payment of indemnities under the tuberculosis and brucellosis eradication programs. In view of the seriousness of the threat to the health of the people of the country by these two animal diseases, the committee feels that at least $1 million should be set aside to make certain that adequate funds are available for such indemnity payments next year. In the budget recommended by the Department, no funds were provided for this indemnity program. It is expected that because of lower income to dairy farmers, considerable culling of dairy herds may result. This in turn will increase the need for a larger indemnity fund than in previous years because of the probable slaughter for many more reactors than has occurred in the past.

The committee urges the Department to get together with the States at the earliest possible date and work out a satisfactory long-range policy with regard to these control programs. It feels that, if the work is needed and there is definitely a national interest, there should not be a complete withdrawal of existing Federal support, unless the program can best be carried on by the States. It also feels that satisfactory arrangements must be worked out well in advance with the States, if it is finally decided to withdraw Federal support, and congressional approval should be secured prior to adoption of any final decision.

Meat inspection: The committee recommends $14,190,000 for this program for 1955, a continuation of the level of operation for 1954. This is a decrease of $135,000 from the budget. Latest statistics available to the committee indicate a gradual decrease in volume of federally inspected meat instead of an increase as indicated in Department testimony.

Payments to States, Hawaii, Alaska, and Puerto Rico: The committee recom-

mends a total of $15,453,708 for grants to the State experiment stations for 1955. This is an increase over 1954 of $1,732,000. The increase will provide an additional $1,500,000 for production research and $232,000 additional for research on marketing problems. This budget item is one of the most important. I will deal with this more at length later this afternoon.

Foot and mouth and other contagious diseases of animals and poultry: A budget estimate of $2,134,000 was received on March 26 (H. Doc. No. 357) to permit the Department to initiate research on foot-and-mouth disease in the laboratory on Plum Island, N. Y. The Chemical Corps of the Department of the Army contemplates transferring all facilities under its control on Plum Island to the Department of Agriculture on July 1, 1954, for such research work. The committee recommends an appropriation for 1955 of $1,800,000 for this purpose.

IMPORTANCE OF RESEARCH

Perhaps the most important work of the Department of Agriculture is in the field of research. Research has played an important role in the development of agriculture. The contribution of research in solving many of the immediate and long-range problems facing agriculture cannot be minimized. Our committee has avoided any substantial reductions in this essential work. While the research items have been reduced below the original budget request, our committee's recommendations represent an increase over the 1954 budget for research activities of approximately $3½ million. The Secretary of Agriculture will reexamine the work of the Department of Agriculture in the field of research in relation to the work now being done by the States and by private industry. Secretary Benson has assured us that he will see that these funds are expended in the most effective way possible. Increased emphasis must be placed on the Department's research activities in cooperation with the State agricultural experiment stations, and with other research agencies, both public and private. Increased emphasis will also be placed on the research work now being carried out on dairy products and the important problems facing the dairy industry.

DAIRY RESEARCH

Research work in the former Bureau of Dairy Industry has been stepped up by the increased appropriation in this 1955 budget. This will enable a step up in the research program in nonfat milk solids, cheese, and new-milk products. Testimony before our committee brought out that this work would be carried on in cooperation with the University of Wisconsin's new Babcock laboratory.

The area of farm management or production economics also offers many possibilities for increasing the efficiency of production on the farm. Two simple examples illustrate some of the possibilities in this area of investigation. The study of these problems is essentially one of trying to evaluate the interaction of a number of factors which enter into most any farm enterprise, whether it be livestock or crop production or whatnot. In the case of a Michigan dairy study, studying the effect of improved labor methods, improved labor methods, improved feed, and good cows, it was shown that the best combination of those practices would yield actually $5,700 per one-man farm, whereas dropping any one of those practices substantially reduces the net income. Where we still retain good methods but drop from good to average cows the income figure was cut virtually in half. On the other hand, if we used good cows but poor management methods again the net return was nearly cut in half. If we used both poor methods and average cows the net return was only about one-fourth what the best combination of practices could yield. The same story is illustrated in a Mississippi study on beef-cattle production. Again a combination of the best practices with good cows, low feed and pasture costs, and good health practices yielded a net profit of $55 per cow; a combination of poor cows and poor management and poor health practices actually resulted in a net loss per cow. It simply points out that there are many possibilities of obtaining economies in production if we analyze the various factors which go into any farm enterprise and then show the farmer where he can effect economies.

The committee has attempted to make provisions for all urgent research projects presented to it and expects the Department to use the authority granted to it by Congress to transfer funds from other activities to meet any additional acute problems which may arise during fiscal year 1955 in this most important work.

EXTENSION SERVICE

The nationwide system of cooperative Federal-State extension work in agriculture and home economics is authorized and conducted under the Smith-Lever Act as amended by the act of June 26, 1953, Public Law 83. Its function is to take research results, farm situations, and program facts of the Department of Agriculture and the State Agricultural colleges and experiment stations to rural people as they may apply to their individual situations and in a manner that effectively meets the farm and family needs. The activities of the entire cooperative extension organizations are directed toward—

First. Maximizing net farm income and farm stability through the application of advancing science and technology. Emphasis is on balanced individual farm production plans adjusted to meet demands of the market, increased production efficiency, and improved marketing methods, thereby putting each farm to the greatest extent possible on a sound economic basis.

Second. Conservation of agricultural resources for the benefit of the individual farmer, the Nation, and future generations.

Third. Increased efficiency in channels of trade by assisting through educational means processors, assemblers, people engaged in transportation and storage, distributors and retailers of farm products in the application of research results and economic information.

Fourth. The improvement of family living through better housing and home facilities, use of labor-saving equipment and methods, farm and home safety measures and community development.

Fifth. The improvement of health through better nutrition and more effective utilization of health and recreational facilities and services.

Sixth. Development of youth through 4-H Clubs to become better citizens and to learn early in life the importance of the application of scientific information to farm operations.

Seventh. The development of a better understanding of, and more effective participation in, community, State, national, and international affairs to the end that farm people will be better able to adjust their operations in line with policies affecting them and contribute to the development of constructive policies.

The cooperative extension service is financed from Federal, State, county, and local sources. These funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialists, and others who conduct among rural people the joint educational programs adapted to local application.

The Federal Extension Service, the educational arm of the United States Department of Agriculture, is responsible for administration, coordination, and program leadership for the cooperative extension program encompassing the 51 State and Territorial extension services of the land-grant colleges including county extension offices in more than 3,000 counties. The Federal Extension Service, as a partner in the cooperative extension effort, is responsible for maintaining a modern, efficient, and dynamic extension system in each State and Territory, coordinating the work among the States in cooperation with committees of State directors, evaluating the results of work performed, pioneering in new educational methods, maintaining liaison with research, service, adjustment, and regulatory agencies of the department, other departments of Government and private organizations in matters relating to extension education, and administering the provisions of Federal laws authorizing extension work.

On November 30, 1953, there were approximately 12,700 State and county extension workers attached to the State organizations, and 203 Federal employees, 183 of whom were in Washington.

I urged the committee to grant the full request for the Agricultural Extension Service. Almost every one of Wisconsin's 168,000 farms and farm homes has felt the impact of the Agricultural Extension Service and has benefited substantially as a result. County agricultural agents have helped farmers to incorporate the findings of science and technology into their businesses, in order that they might obtain larger incomes and greater satisfactions from farm life. They have helped in a very substantial way to keep our agriculture sound and

productive by conducting an educational program that has aided in bringing into widespread use in our agriculture such important developments and practices as first, mechanization and the use of labor-saving devices; second, liming, treatment with commercial fertilizer, better use and conservation of barnyard manure, and the employment of cropping practices tailored to the land; third, new varieties of many crop plants that are superior in such characteristics as yield, quality, disease, and drought resistance and winter hardiness; fourth, improved hay and pasture crops and more effective ways of conserving and utilizing them; fifth, better pastures; sixth, treatment with chemicals that are highly effective in controlling many destructive weeds, insects, and diseases; seventh, breeding of livestock for higher efficiency of production; eighth, better livestock and poultry through improved feeding; ninth, improved methods of sanitation and disease control for livestock; tenth, improved quality of agricultural commodities; eleventh, reduction of losses due to waste and spoilage; and twelfth, better marketing and distribution of agricultural commodities.

Likewise, home-demonstration agents have shown rural women how to improve the diet and clothing of their families and how to make their homes more comfortable and attractive. They have encouraged home production and preservation of foods. They have given guidance in the wise buying and efficient use of labor-saving equipment, in matters dealing with child revelopment and family relations, housing, and with many other problems integrally related to family life and home management. They have helped farm women develop self-confidence, poise, and social graces. They have emphasized the importance of developing a sense of citizenship among rural women and have made them much more conscious of their responsibilities and the opportunities for service that exist in their communities.

Still another important phase of our Wisconsin agricultural extension program is concerned with the development of rural youth. Through 4–H Club work, farm boys and girls receive their first introduction to the science of farming and homemaking. It is through participation in this program that boys first learn the significance in a successful farm enterprise of livestock breeding, feeding, and management; soil, forest, and water conservation; soil testing, treatment with commercial fertilizer; the use of adapted crop varieties; disease and insect control; market demands, grades, and qualities. Likewise, girls first learn about food production, food preparation, nutrition, health, home nursing, child care, clothing construction and design, home improvement and home management through participation in the 4–H Club program. It is in this and the young men's and women's program that boys and girls first learn to take action in groups and where an excellent opportunity is provided for the development of leadership, good citizenship, and character.

OUR WISCONSIN APPROACH NEEDS TO BE BROADENED AND INTENSIFIED

Though it has been valuable and effective, our Wisconsin agricultural extension program is not yet sufficiently broad in its scope or sharp in its focus to meet the more exacting needs of our times. Problems that are increasingly complex confront those who are now engaged in or who desire to engage in the business of farming. A great many problems must be met and solved if agriculture is to remain strong and solvent in the years that lie ahead. Among these we should certainly list, first, cost-price relationships; second, overproduction of certain agricultural commodities; third, getting started in farming in view of heavy capital requirements; fourth, the declining farm labor supply; fifth, fitting new technological developments into the farm enterprise; sixth, variable prices, yields, and production; seventh, increasing costs of production; eighth, marketing; ninth, poor quality products; tenth, marginal farming due to insufficient working capital or lack of good land; eleventh, relations with urban consumers; twelfth, conservation and improvement of farm resources; thirteenth, changing demands for farm products; and, fourteenth, security following retirement. Each problem requires understanding by local people of the facts, issues, choices; and the best scientific application. To be prepared for the type of service that will be needed for an agriculture faced with changing, complicated problems, the agricultural extension service in Wisconsin must eventually expand and increase the scope of its activities, first, to provide for more individual teaching in a program of complete farm and home planning; second, to facilitate work with girls and boys in our 4–H Clubs and older youth programs; third, in consumer education and marketing; fourth, with groups in urban areas; and, fifth, in public affairs education.

FIRST ALLOTMENT TO BE USED FOR FARM AND HOME PLANNING

The first allotment of any increase in Federal funds for Wisconsin will be used entirely to develop a more objective program of farm and home planning for individual farm families.

We must all recognize that farming has changed from an occupation that formerly required moderate amounts of capital, management or know-how, and investment in land to a business which now requires large amounts of capital, much technical and business management and heavy investment in land. How to select and combine the various enterprises on the individual farm, what intensity to carry them and how to inject modern technology into the business have become major problems. Some farmers are able through reading and by attending meetings and demonstrations to solve these problems. Many other farmers, however, could combine these enterprises and integrate these new technologies and programs much more efficiently and economically into their business than they now do.

Similar problems of an increasingly complex nature also confront the homemaker as she with her husband plans to rear a family in today's world. Since developments in the social sciences have not kept pace with those in technological areas, the farm family is faced with many problems that are a direct result of technological developments. The impact of advertising through the press, radio, and television is substantial and necessitates a constant evaluation on the part of all members of the farm family of their real needs. The high degree of specialization which is characteristic of our age requires that homemakers seek desired information from many sources. Frequently she is at a loss to know how to coordinate and integrate for the best use of her family the information she obtains.

The Agricultural Extension Service in its early years worked intimately with individual farm families as a way of reaching, through them, still other families. The county agricultural agent and home demonstration agent established influence and confidence by working with a relatively small number of families, getting to know them personally, to understand their problems more fully, and to help fit new technology into their individual systems of farming and homemaking. However, as the demand for service expanded, the Agricultural Extension Service found it increasingly necessary to abandon much of the personal-service type of approach that marked its early work, and to rely more and more on a mass type of approach facilitated by meetings, group demonstrations, the radio, television, publications, newspaper and magazine articles.

Furthermore, and for the most part, our programs have developed haphazardly and on a piecemeal basis. Often it has been a question of the "squeaky wheel getting the grease" or of moving from one emergency to another. Farm life is not lived on a piecemeal basis nor do farm families progress by moving from one emergency to another. The farm family is continually faced with problems of considering and integrating for its best and most effective use such diverse items as production, marketing, remodeling of the home or other farm buildings, new construction, advanced schooling for sons and daughters, the purchase of a new car, tractor, or other farm or home equipment, soil improvement and conservation, family and community relationships, and many others. Consequently, the farmer and his family, his soil, his cropping system, his livestock, the quality of the products he produces, his machinery, his available supply of labor, consumer demands for his products, marketing, and other off-the-farm forces, including public affairs, that affect his enterprise must all be considered in developing a program to fit his needs and requirements. A further responsibility would be to assist the farmer and his family to participate in and actively support the organized programs that help to make his community a desirable place in which to live. I believe that the needs of modern agriculture and homemaking can be served

most effectively through a coordinated program that makes available the full resources of agricultural extension in one approach to all the enterprises on the farm. The program that I envision is based on the whole farm rather than the piecemeal type of aproach and is designed through personal service to establish a sound economic base under each farm.

Although the full increase which I recommended to the committee was not granted, an increase of $3,581,950 is provided in this bill over and above the appropriation which was made in the last fiscal year.

Appropriations, 1954	$35,294,564
Recommended, 1955	38,876,514
Comparison: 1954 appropriations	+3,581,950

Payments to States, Hawaii, Alaska, and Puerto Rico: The sum of $35,610,279 is recommended for 1955 for payments to State land-grant colleges for extension activities. This is an increase of $3,361,950 over funds available for the current fiscal year. The increase provides an additional $3 million for cooperative agricultural extension work and $395,000 for payments to States under the Agricultural Marketing Act of 1946, offset by a reduction of $33,050 due to absorbing farm-housing activities by regular activities.

Federal Extension Service: The committee recommends $3,266,235 for 1955, an increase of $220,000 over funds available for 1954. The increase provides an additional $200,000 to meet penalty-mail costs and $20,000 for the employment of two field representatives to represent the Federal Extension Service in relations with presidents, deans, and directors in the land-grant colleges and universities.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935 (16 U. S. C. 590a–590f). It assists soil-conservation districts and other cooperators in providing technical aid to farmers in bringing about physical adjustments in land use that will conserve soil and water resources, provide economic production on a sustained basis, and reduce damages by floods and sedimentation. The Service also develops and carries out special drainage, irrigation, flood prevention and watershed-protection programs in cooperation with soil-conservation districts, watershed groups, and other Federal and State agencies having related responsibilities.

Conservation operations program activities: The Service provides technical and other assistance to farmers, through soil-conservation districts and other cooperators in the 48 States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, in carrying out the locally adapted soil and water-conservation programs. As of June 30, 1953, farmers had organized 2,549 conservation districts. The assistance furnished by the Service includes (a) making soil surveys to provide physical land facts needed to determine the use capabilities and conservation-treatment needs of each acre of farm and ranch land and the publishing of soil-survey reports and maps which are useful also to other Federal and State agencies and the public in the development of special land-use programs and for other purposes, (b) technical assistance in developing and applying conservation farm plans which allow for the best possible use by the farmer of his land, labor, equipment, and financial resources, (c) the loan of some special types of equipment, not readily available to the farmer but needed to establish certain conservation practices, (d) observational studies and field testing of new and improved species and strains of grasses and legumes, trees, shrubs, and other plant materials that may be used in controlling erosion and improving pasture and range land, and (e) making of snow surveys and stream-flow forecasts in the Western States to provide for efficient seasonal utilization of available water supplies.

Conservation operations: The committee recommends an appropriation of $58,165,671 for 1955, an increase of $3,267,671 in the Department's budget request. The committee does not agree with the proposed reduction in the number of area field offices and has restored $1,077,671 to provide for continuation of the present offices. In addition, it has added $2,190,000 to permit staffing of the 76 new districts which are being established in the fiscal year 1954 and the 67 districts which are expected to come into existence during the 1955 fiscal year.

In accordance with the plan adopted last year for a substantial reduction in the soil conservation nursery program, the Department will have turned over to States or local agencies all but 9 of its original 24 nurseries by the end of the current fiscal year. Of the 9 nurseries which are being retained under Federal control to serve as permanent experimental stations in the various areas of the country, 5 will be operated by non-Federal cooperating agencies where satisfactory working agreements have been worked out. The remaining four will continue to be operated as research and observational facilities by the Department.

Watershed protection: The budget estimate of $5 million is recommended again for 1955 to permit the continuation of this pilot-plant program initiated last year. The present program includes some 65 small upstream watersheds in nearly every State in the Union. The total estimated cost at time of completion is $28,706,000. The unanimous approval by the Congress this year of further legislation on this subject indicates the widespread support for this essential work.

Flood prevention: The committee recommends $6,982,000 for 1955, the full appropriation authorized for 1954. This amount will permit the continuation of works of improvement at slightly in excess of the 1954 level, in view of the decrease proposed in survey work. The committee agrees with the budget increase included for general basin investigations work in the Arkansas-White-Red and New England-New York areas.

The flood prevention work in the 11 authorized watersheds consists of the installation of measures primarily for flood prevention financed from this appropriation, together with acceleration of the application of complementary conservation land treatment and forestry measures contributing to flood prevention financed from other appropriations of the Department, principally from the conservation-operations appropriation of the Soil Conservation Service. The latter funds are available for such additional technical assistance to soil conservation districts, landowners, and operators, and related materials and land treatment work as is necessary for maximum flood prevention progress in these watersheds.

Water conservation and utilization projects: The budget estimate of $480,000 is recommended for 1955, a reduction of $205,000 below the appropriation for 1954. This reduction is made possible by the completion of the two Buffalo Rapids projects in Montana and the Buford-Trenton project in North Dakota, and by a reduction in level of operations on the Angostura project in South Dakota and the Eden Valley project in Wyoming. It is estimated that this entire program will be completed by the end of the fiscal year 1957.

SOIL GREATEST PHYSICAL ASSET

In my work on the committee I continually was aware of the outstanding job which is being performed by the Soil Conservation Service. The technical and professional help which the Soil Conservation Service has provided individual farmers throughout our Nation has done much to conserve and protect our soil which is the greatest physical asset we as a Nation possess.

AGRICULTURAL CONSERVATION PROGRAM

The purpose of this program is to, first, restore and improve soil fertility; second, reduce erosion caused by wind and water; and, third, conserve water on land. To effectuate these purposes, the agricultural conservation program offers cost-sharing assistance to individual farmers in all of the 48 States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for carrying out approved soil-building and soil-and-water conserving practices on their farms.

An advance authorization of $250 million for the 1955 crop year is approved, as recommended in the budget estimate submitted in House Document No. 352. This is an increase of $55 million over the 1954 program. The language in the accompanying bill provides that the $55 million shall be placed in reserve until the Congress has adopted a program relative to the use of lands diverted from production in 1955.

The committee recognizes the urgent need for the adoption of a program designed to remove acreage from crop production and place these acres in a soil-conserving reserve status. This will not only be an effective means of reducing further accumulations of commodity surpluses, but will also contribute to a balanced program of farming needed to assure a productive agriculture which, in the near future, will be called upon to meet the increased food requirements of a population growing at the rate of 2.6 million each year.

The committee realizes the importance of establishing good soil-conserving practices on land taken out of production under such a diverted acreage program, and believes that special attention should be given to these problems under the agricultural conservation program.

Under the ACP program cost-sharing assistance is offered for practices considered necessary by the local county communities to meet the most urgently needed conservation problems of the farm, and then only as it is believed that the farmers would not perform the practices to the required extent without such assistance. A Federal docket is prepared which lists all the practices under which cost-sharing is offered. This Federal docket includes practices primarily for, first, establishment of permanent protective cover; second, improvement and protection of established vegetative cover; third, conservation and disposal of water; fourth, establishment of temporary vegetative cover; fifth, temporary protection of soil from wind and water erosion; sixth, similar practices with limited area applicability.

Cost-sharing assistance is available in the form of, first, partial payment of the purchase price of materials and services needed by the farmer for carrying out approved practices; or, second, partial reimbursement to farmers who have carried out approved practices at their own expense.

Several States and some counties have written restrictions in their approved practices which are much more restrictive than the Federal docket. Our committee feels that this should be a matter for local determination by the individual States in cooperation with their county committees. The needs of some areas differ greatly with others. Local determination is important in this program.

The Agricultural Marketing Service is organized to aid in advancing the orderly and efficient marketing and the effective distribution of products from the Nation's farms. The marketing and distribution functions of the Department, which are centered in this Service, include research and development of agricultural marketing and distribution; analyses relating to farm prices, income and population, and demand for farm products; crop and livestock estimates and related statistical and economic research; market news service, standardization, inspection, grading, and classing of farm products; freight-rate assistance; marketing and regulatory acts—including marketing agreements and orders—cooperative programs in marketing; the national school-lunch program; surplus removal programs under section 32 of the Agricultural Adjustment Act; food trade activities; and other assigned responsibilities related to agricultural marketing and distribution.

Marketing research and service: A total of $20,564,300 is recommended for 1955, an increase of $99,047 over 1954. The increase of $398,600 recommended for marketing research and agricultural estimates includes $223,600 for development of new markets, $75,000 for development of estimates of farm-production expenditures and net farm income, and $100,000 for crop and livestock estimates. The reduction of $299,553 for marketing services includes all decreases recommended in the budget, with the exception of $220,000 for inspection services for fresh fruit and vegetables which has been reinstated. This is a voluntary inspection service to stimulate good shipping and marketing practices and the committee does not feel that the appropriation cut and increase in inspection fees is warranted.

In view of the wide variation in percentage of inspection costs recovered from fees for the various agricultural commodities, the committee strongly urges the House Committee on Agriculture to consider recommending new legislation designed to develop a more uniform policy as to assessing fees for such inspection service.

Payments to States, Territories, and possessions: The 1954 appropriation of $573,000 is recommended for 1955. Personally I was and am of the opinion that increased emphasis should be given this marketing appropriation item. Wisconsin is doing outstanding work in this field and the marketing activities of agriculture need encouragement. A majority of the members of our committee felt, however, that this amount was adequate because of the increases allowed elsewhere in the bill for marketing research. Later in the debate, I intend to offer an amendment to increase this budget item.

Repayment to Commodity Credit Corporation: The budget estimate of $441,655, a reduction of $326,850 below the current year's appropriation, is provided to reimburse the Commodity Credit Corporation for costs incurred for inspecting and grading tobacco under the Tobacco Inspection Act of 1935 and for classing cotton under the Smith-Doxey Act of 1937. This reimbursable arrangement was established several years ago when it became apparent that it was less costly to finance these services through Commodity Credit Corporation funds than to establish full-time, year-round offices under regular appropriations. The amount recommended represents a reimbursement for costs incurred during the fiscal year 1953.

The budget for the USDA for tobacco grading and related demonstration activities, which are of substantial assistance to farmers in preparing their tobacco for market, would eliminate practically all demonstration work in fiscal year 1955 as well as continue current per diem practices which force tobacco inspectors to cover their own living costs in cases where they are away from their official stations more than 60 days. The committee feels that adequate demonstration activities should be continued and that some correction should be made in the per diem practices in the interest of maintaining the grading work which is so important to the marketing of all tobacco as well as the administration of the tobacco price-support program.

Since the section on "Marketing services" in the Appropriation Act for 1952—Public Law 135, 82d Congress, August 31, 1951—authorizes supplemental advances from the Commodity Credit Corporation to meet tobacco grading costs, a change in the appropriation bill is not necessary to provide the additional funds needed for the activities indicated above, which are an integral part of the grading work, and which the committee expects will be covered by the authorized advances.

School-lunch program: The committee recommends a total appropriation of $77,011,416, an increase of $9,011,416 over the budget and a decrease of $6,224,781 below the 1954 appropriation.

The budget recommends the elimination of funds for the purchase and distribution of commodities pursuant to section 6 of the National School Lunch Act, for which $15 million was appropriated in 1954. The committee disagrees with the budget and recommends the restoration of $9,011,416 for this purpose in 1955, the maximum amount possible within the total carried in the budget.

The purchase of foods under section 6 has helped schools meet nutritional requirements and provide a balanced diet. While there has been an increase in the amount of surplus commodities acquired for school-lunch programs with section 32 funds, a great many such commodities are not identical in kind or in nutritional characteristics with those purchased under section 6. In order to meet nutritional requirements and provide a balanced diet there is a need for section 6, particularly to encourage the use of fruits and vegetables. It would seem to me, however, that many of these items could qualify under section 32 purchases and that the full $9,011,416 would not be used.

FARMERS' HOME ADMINISTRATION

The Farmers' Home Administration, established on November 1, 1946, pursuant to the Farmers Home Administration Act of 1946, approved August 14, 1946, is now authorized to perform the following activities:

First. Make direct farm-ownership loans to farm tenants, farm laborers, sharecroppers, and other individuals for the purchase, enlargement, or development of family-size farms. Loans, at 4 percent interest amortized over 40 years, are made in amounts up to the normal value of a farm as improved based on long-term earning capacity values.

Second. Insure 40-year farm-ownership loans made by private lenders up to 90 percent of the normal value of the farm and necessary improvements at 3 percent interest plus a 1-percent insurance charge—one-half of 1 percent available to the insurance fund and one-half of 1 percent available for administrative expenses. Insured loans are for the same purposes and to the same classes of individuals eligible for direct farm-ownership loans.

Third. Make production and subsistence loans to farmers and stockmen for farm operating expenses and for other farm needs including the refinancing of indebtedness and family subsistence. Loans are made up of $7,000 or 1 to 7 years at 5 percent interest with a limit of $10,000 on the total indebtedness of any farmer.

Fourth. Make loans for the construction, repair, or improvement of water facilities in the arid and semiarid areas of the 17 Western States. These loans are made a 3 percent interest for periods up to 20 years to individuals and groups to provide domestic or irrigation water supply. Engineering assistance is given in planning and installing farmstead and irrigation facilities.

Fifth. Make emergency loans to farmers and stockmen in designated areas where a disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources. Production disaster and economic disaster loans are made at a 3 percent interest rate for periods consistent with the ability of the borrower to repay, usually for 1 year. Special loans to livestock producers are made at a 5 percent interest rate for periods not exceeding 3 years. Loans may also be made at a 5 percent interest rate to bona fide fur farmers but only for supplemental credit to those already indebted for prior loans.

Technical guidance in planning and carrying out sound farm operations is provided borrowers on the basis of their individual problems and needs. No loans are made to anyone who can secure adequate credit from other sources at reasonable rates. A local county committee of 3—2 of whom must be farmers—is required to approve each applicant and each loan. In the case of farm ownership loans, they certify to the normal long-time earning capacity value of the farm and in the case of farm housing loans, certify as to the normal market value.

On July 1, 1953, the administration was servicing the accounts of about 337,000 individual borrowers with outstanding indebtedness of $748 million principal and interest.

The Farmers' Home Administration maintains its central office in Washington with program activities decentralized to 40 State offices—a few of which service 2 or more States—about 1,500 county offices, and a National Finance Office in St. Louis, Mo. The Farmers' Home Administration, on November 30, 1953, had 5,623 full-time employees, 279 of whom are in Washington, and the balance in the field, and 9,488 State and county committeemen who are part-time employees paid an average of 8 to 10 days a year.

The loan authorization recommended for 1954 includes $19 million for farm ownership loans, $120 million for production and subsistence loans, and $6,500,000 for water facilities loans. This is a decrease of $36,500,000 below funds available for 1954, $16,500,000 of which is for farm housing loans for which basic legislation expires June 30, 1954, and $20 million of which is a special fund for production and subsistence loan funds made available last year in connection with the emergency drought relief authorization included in Public Law 175. If further needs for these two programs develop at a later date, it will be necessary to handle them as supplemental requirements.

The salary and expense item has been added to so as to assure adequate personnel in State and county offices to provide needed assistance to the borrowers and to maintain adequate protection of the Government's investment of around $750 million in this program. The committee has been impressed with the record of the Farmers' Home Administration in assisting needy farm families to become established in enterprises that are economic and sound. The making of loans to properly safeguard the borrower's interest and the security of the Government demands careful scrutiny, good judgment, and a complete understanding of farm and home management.

The Congress has over the years approved the supervised lending program of this agency. It is felt that the employment of personnel with training and knowledge of market values, farm and home practices and good judgment will protect the interests of the Government, lead to sound economic loans, and encourage better farm family living. I wish to call attention to the Members of Congress that this loan program has an outstanding repayment record.

DAIRY PROBLEM

In my work on this Appropriations Committee, I, of course, have been partial to the problems of the dairy industry. This is understandable because of the district which I represent. I am particularly aware of the needs and problems which face the dairy industry in my State. During 6 years as a member of the Wisconsin State Senate and during my term here in Congress, I have continually reminded my colleagues of the importance of the dairy industry to the whole economy of my State. Wisconsin is very properly called America's dairyland. My district produces more milk and cheese than any district in this Congress.

The announcement of the Secretary of Agriculture on February 15, 1954, was a disappointment to me. There were indications that the support level on dairy products would be lowered, but certainly I did not expect such drastic action. The present law reads:

> The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply.

Under the present agricultural support law, the dairy industry is operating under a flexible-support program, while the so-called basic commodities—wheat, corn, cotton, tobacco, peanuts, and rice—are supported under fixed mandatory supports with provisions for production controls. The present legislation is discriminatory against the dairy industry. Sentiment on the House Agriculture Committee indicates that this committee will recommend the continuation of mandatory supports on basic commodities at 90 percent of parity while at the same time continuing supports on dairy products under a flexible-support program without production controls.

Dairy products should be supported under the same system as basic commodities. The recommendations of the President recognize this fact. The present legislation does not recognize this fact. Out of 435 Members of Congress, there are less than 40 Members representing dairy districts. The so-called basic crops represent only 23 percent of our country's total agricultural production and represent less than 7 percent of the total agricultural production in Wisconsin.

Throughout the hearings which were held on this appropriation bill, I have continually pointed out to the Secretary of Agriculture and his assistants the deep concern which the farmers in my district have over the problems facing the dairy industry. These problems we recognize are to a large extent the results of the transition from an emergency wartime economy to a more normal peacetime one. I have pointed out that the dairy industry is the principal industry in my State and that its continued growth and development are not only essential to the welfare of Wisconsin and to farmers but to the entire Nation as well. Prior to its effective date of April 1, 1954, on many occasions I urged the Secretary to modify his support order for dairy products during the crop year 1954. I introduced and strongly supported legislation which provided for a more gradual reduction in the support level.

I strongly urge now and have for the past year: First, that the Department of Agriculture seek the immediate cooperation of other Government agencies in the purchase of dairy products for use in their installations. The Defense Department, Veterans' Administration, and the Department of Health, Education, and Welfare were suggested by me as agencies which could consume substanstantially increased quantities of all dairy products, particularly fluid milk, cheese, and butter; second, that the Department of Agriculture seriously consider setting aside food, particularly butter oil and powdered milk in the Nation's strategic reserve for use in possible civil defense emergency; third, that the Department of Agriculture take immediate action toward selling stocks of dairy products to the consumers in this country, through regular channels of trade, at a price which will appeal to the domestic market and stimulate consumption of existing Government stocks; and fourth, that the Department aggressively pursue a policy of offering dairy products on the world market to friendly nations at competitive prices.

Last spring and summer I was instrumental in getting a contract negotiated between the Defense Department and the Commodity Credit Corporation, which provided that the Defense Department could purchase butter in addition to their normal open-market purchases of butter from the Commodity Credit Corporation. The following figures reflect the effect of this purchase

contract upon the Army, Navy, and Air Force:

	January through June 1953	July through December 1953
	Pounds	*Pounds*
Butter (open market)	12,300,000	15,200,000
Butter (CCC)	None	16,000,000
Butter substitutes	17,900,000	1,700,000

This is an example what can be done right within the Government.

More needs to be done in promoting the sale of cheese, butter, and fluid milk. Such organizations as the American Dairy Association are making a good start but it is only a start, very small indeed compared to the advertising that other industries follow.

CONCLUSION

This afternoon I have attempted to discuss several of the more important aspects of this agricultural appropriations bill. I have outlined the bill as it affects the Agricultural Research Service, the Extension Service, Soil Conservation Service, agricultural conservation program, Agricultural Marketing Service and the Farmers' Home Administration. Other members of the Appropriations Committee will discuss the other important sections of this bill including the Forest Service, Farmer Cooperative Service, Commodity Credit Corporation, Foreign Agricultural Service, Commodity Exchange Authority, Commodity Stabilization Service, Rural Electrification Administration and the Federal Crop Insurance Corporation.

I have looked at the problems facing agriculture in this country as conscientiously and as thoroughly as humanly possible. Members of the Appropriations Committee are charged with the duty and responsibility of reviewing the activities and appropriating funds for all departments of our Federal Government.

The financial position of our country at the time the Eisenhower administration took over was indeed not good. The new administration inherited $268 billion in the form of a national debt. In addition to this the new administration inherited $90 billion in unspent authorizations which had been approved by previous sessions of Congress but were not as yet reflected in the national debt figure of $268 billion. A policy of deficit financing had been built up here in Washington to the point where it has become an accepted philosophy to pass on to our children and grandchildren the debts which we accumulate today in the form of a huge Federal mortgage levied against their future. Many individuals seem to think that we should keep on spending and spending today so that we can have a good living. The idea seems to be that we should let future generations pay the bills for our good living today.

My primary concern in carrying out my duties and responsibilities as a representative of the Seventh Wisconsin Congressional District is to do my part to restore a sound peacetime economy to our country. We must balance our Federal budget. We must work to reduce our Federal indebtedness. We must reinstate the principle of good commonsense in meeting the problems which confront us as a nation. We must stop running to Washington with our hands outstretched every time a local problem confronts us. As I have said on this floor before, there is no pot of gold in Washington, D. C. There are only debts and mortgages which have been piled up by the State and local governments running to Washington with their problems, by military and foreign-aid spending, and by corruption, inefficiency and waste during the past 20 years.

In my work on the Appropriations Committee, I have kept foremost in my mind the pledges which I made as a candidate for Congress in each of the 10 counties in my congressional district. I pledged to the people of my district that I would do all in my power to do away with the principle of deficit financing in our Federal Government. This can and must be done during President Eisenhower's term of office. It can be done by everyone's realizing that our greatest danger during this period is not the threat of war, but the even greater danger of spending ourselves into bankruptcy, which would lead us to complete chaos. We would deliver ourselves to international communism without having a shot fired upon us. We can balance our budget by: First, cutting those sections of our budget which have become out of balance since 1940. Second, present and past pending authorizations of all departments must be continually reviewed and curtailed by the executive department as well as by the Congress.

Mr. HUNTER. Will the gentleman from Wisconsin yield?

Mr. LAIRD. I am happy to yield to my colleague on the committee from the State of California [Mr. HUNTER].

Mr. HUNTER. I wish to commend the gentleman from Wisconsin [Mr. LAIRD] for his activities in behalf of agriculture. Mr. LAIRD has an intimate knowledge of the problems of agriculture, particularly as they refer to the dairy industry.

Mr. LAIRD. I thank the gentleman from California for his compliment.

Mr. HORAN. Will the gentleman from Wisconsin yield?

Mr. LAIRD. Yes; I yield to the gentleman from the State of Washington [Mr. HORAN].

Mr. HORAN. The gentleman from Wisconsin [Mr. LAIRD] has done an excellent job in presenting the agriculture bill today. His work is well known to all of us here in Congress as a true friend of the farmer.

Mr. LAIRD. Thank you, Mr. HORAN.

Mr. H. CARL ANDERSEN. Will the gentleman yield to me?

Mr. LAIRD. Certainly, I yield to the chairman of our subcommittee, the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. I wish to commend the gentleman from Wisconsin for his report. He has been an able member of the Subcommittee on Agriculture of the House Appropriations Committee.

Mr. LAIRD. I thank the gentleman from Minnesota for his comments.

Mr. Chairman, I yield the balance of the time allotted me.

(Mr. LAIRD asked and was given permission to revise and extend his remarks.)

Mr. MARSHALL. Mr. Chairman, I yield such time as she may require to the gentlewoman from Idaho [Mrs. PFOST].

Mrs. PFOST. Mr. Chairman, I rise to commend the members of the committee for the statesmanlike job they have done on this appropriation bill. I think it can be said without reservation that they put the country's welfare high above partisanship. The measure we have before us today gives much fairer treatement to the farmers, and a much sounder deal to the country as a whole than did the budget recommendations of the Secretary of Agriculture. For this realistic and objective action I believe we all owe the committee a deep debt of gratitude.

Mr. Chairman, I appeared before the committee to ask them either to restore or to increase funds for several programs of major importance to my State of Idaho. I find that funds have been written into this bill, or substantially increased, for a number of these programs including the Soil Conservation Service, the indemnity payment program for brucellosis and tuberculosis control, and for cooperation with the States and forest industry in fire control and tree planting, and for control of one of the most serious of forest diseases—white pine blister rust. For this action I wish to personally thank the committee.

In the case of two other programs, however, appropriation recommendations are woefully inadequate. I am disturbed that the bill before us slashed the budget recommendation for forest access roads by more than $1½ million and for forest pest control work by $435,000.

These slashes have serious implications for the State of Idaho. The outlook is bleak indeed for sufficient Federal assistance in the fiscal year 1955 to combat a serious spruce budworm infestation in the Boise and Payette National Forests. The budworm has been present in low numbers in this area for several years but it has now increased to the extent that severe defoliation is occurring and many trees are dying as a result. Some 3½ billion board-feet of fir timber, valued at $10 million, is immediately threatened.

The most serious threat, however, is to the lumber industry, which has annual payrolls estimated at $4½ million. The lumber industry in Idaho is already curtailing its operations, with the result that lists of unemployed are swelling and the local communities are being seriously affected. If the spruce budworm is not controlled, and access roads are not constructed to bring out the infested timber while it is still marketable, the loss in revenue and jobs will be even greater.

In making this statement, Mr. Chairman, I am well aware that the committee indicated that a portion of the sum of $7½ million allocated for the construction of roads and trails in Wash-

ington and Oregon forests, where the Douglas-fir has been seriously infected, may be used to salvage timber in other areas where there is a proven emergency.

But a little simple arithmetic and analysis will indicate how remote that possibility probably is. The budget request for access road construction in Oregon and Washington was $6½ million, with an additional $2½ million for bridge replacement. The committee recommended $7½ million for both. Since bridge replacement is an absolute must if existing roads are to be kept open, only about $5 million will be available for access road construction. It seems to me it is going to take considerable dollar stretching to make the $5 million do a $6½ million job in Washington and Oregon alone. It would appear therefore that Idaho will be sadly lacking in emergency funds for access roads into the spruce budworm infested timber.

I am happy that funds have been provided in this bill to launch an all-out aerial spraying attack on the pine butterfly infestation in Idaho forests—the first pine butterfly control project anywhere in the world. But to control the pine butterfly and not attack the spruce budworm is, to my mind, somewhat like getting a patient over a serious case of scarlet fever and ignoring an incipient case of pneumonia.

Idaho's forests are one of her most valuable natural resources. All of my information indicates that in Idaho the spruce budworm infestation is a serious one and needs immediate attention. I regret that the committee could not see its way clear to recommend sufficient appropriations for access road construction and forest pest control to assure an immediate attack on the spruce budworm. I shall ask for time to appear before the Senate Appropriations Committee to press for funds to meet this urgent situation.

(Mrs. PFOST asked and was given permission to revise and extend her remarks.)

Mr. MARSHALL. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BROWN].

(Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Georgia. Mr. Chairman, it is my belief that there are no appropriations which are of greater importance to all of our people than appropriations for the continuance and expansion of agricultural programs to meet the requirements of a growing population. Agriculture is the most basic of all of the various segments of our economy, and all of our inhabitants on the farms and in the cities have a direct or an indirect interest in it.

The farmers of our country start the wheels of industry as the suppliers of the raw products and they play a vital and necessary part in its continuance as consumers of the finished products. The manufacturers and the merchants are dependent upon those who produce not only for raw products but for generating income for purchases and sales. I think that all will agree that it is a matter of historical fact that there cannot be low farm income without eventually being correspondingly reflected in other segments of our economy.

Our farm program must be a positive and not a negative program, and it must be a long-range program rather than a short range. Let us remember that increased agricultural production to meet changing needs requires long lead time as does industrial production. Let us also recognize that our population is increasing at the rate of 2.6 million people per year, and that at the same time thousands and thousands of our young men have recently left the farms for more lucrative industrial jobs. For example, a survey of returning Korean war veterans was completed in January of 1954, and revealed that the occupational trend of Korean veterans was strongly away from agriculture. Around one-third of the preservice workers from agriculture actually returned to agriculture and about one-half shifted to employment in industry.

In a long range agricultural program we must recognize that the surpluses of this year may well be the shortages of another year. It was only recently that these farm surpluses aided us at a time when increased production was required, and at the same time stabilized prices at a lower level to the benefit of the consumers. We know that we are living in a period which is neither peace nor war, in which it is far better to have too much than too little.

I did not agree with the 1955 budget which substantially reduced Federal "action" programs, and I am glad to see that while it is recognized that research and educational programs are important, it is also recognized by the committee that research and educational programs are not to be considered as a substitute for "action" programs. It is important to the future that research and educational programs be carried forward. The research program has given us new markets in the field of grain and fiber, and we must continue to find new markets in order to get rid of our surplus crops. I am sorry the amounts for this program and also for the Extension Service were reduced below the budget estimate.

I am glad to note from the report that the committee does not agree with the cuts proposed in the soil conservation and flood-prevention activities, since some 40 percent of the cropland of the country has been severely damaged or lost entirely and an additional 20 percent is at the present undergoing severe erosion. This is a program on which we cannot afford to jeopardize our future productive capacity.

The agricultural appropriations have been held down in recent years. The committee report reveals that the regular funds of the Department have been reduced 32 percent since 1940, while appropriations for the balance of the Federal civilian departments and agencies have increased 110 percent.

I am also glad to note that the committee has increased the appropriations of the school-lunch program over $9 million in excess of the budget; however, this is more than $6 million less than the 1954 appropriation for the school-lunch program, and I hope this deficiency can be restored before final passage of the bill. This deficiency exists in section 6 funds, which are important to the schools in meeting nutritional requirements and providing for balanced diets.

This bill appropriates $698,410,313 in direct cash and, I am glad to see, $320,500,000 in loan authorizations for the Department of Agriculture. The loan authorizations are $45 million greater than recommended by the Agriculture Department. This increase is earmarked for Rural Electrification Administration loans. This agency perhaps has done more for the rural people than any other agency, and I have been an ardent supporter of this program throughout the years. The rural-electrification program has not only been an uplift to rural life in America, giving to our farmers the benefit of the comforts of modern life and to their children the opportunity to share the jobs of modern convenience, the radio and television, but it has given to industry the greatest impetus it has received in the past quarter of a century.

Under all the circumstances, I think the committee has done a good job.

The farm price-support program is financed with separate funds. This is also a necessary and vital part of our agricultural program, but is not up for consideration in H. R. 8779.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. HESELTON].

(Mr. HESELTON asked and was given permission to revise and extend his remarks.)

Mr. HESELTON. Mr. Chairman, in behalf of the entire Massachusetts delegation, I want to express their appreciation to the entire committee for the consideration they gave to the delegation's request for adequate funds in connection with gypsy moth control. This is a particularly serious matter in Massachusetts. It also affects other parts of New England and New York.

I should like to ask the chairman of the committee, if I may, a question for the purposes of clarification. As I understand it, the committee restored the full amount of money appropriated for this purpose in the last fiscal year.

Mr. H. CARL ANDERSEN. The gentleman is correct. The committee restored the proposed reduction of $331,600, making available $528,800, the same amount as available in 1954.

Mr. HESELTON. I should like to ask a second question. I have checked with the Department and it is my understanding that outside of that area in New England and New York State there are only two places in the United States where there is any occurrence of the gypsy moth infestation. One is a location in Milford Township, Bucks County, Pa., which apparently has been brought under control. There is some indication of an outbreak in Blakely Township, in Lackawanna County. I am told

by the Department that in cooperation with the Commonwealth of Pennsylvania a small portion of Federal funds will be used in order to complete this work there. Consequently it would be my understanding that the major portion of the funds provided here would be devoted to the effort to clear up this infestation in the New England and New York area and that the particular Federal concern would be in establishing a control barrier to prevent the infestation going into other States.

Mr. H. CARL ANDERSEN. I think the surmise of the gentleman may be construed as correct.

Mr. HESELTON. I thank the gentleman. I want to include a copy of the memorandum from the members of the Massachusetts delegation to the subcommittee:

MEMORANDUM FROM MEMBERS OF MASSACHUSETTS DELEGATION TO THE SUBCOMMITTEE ON APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE

Massachusetts has undertaken an extensive program to prevent the spread of the gypsy moth which destroyed the leaves of 1,500,000 acres of trees in New England in 1953.

This was more than double the damage done during the outbreaks in 1937 and 1945.

Governor Herter signed into law on February 24 a bill which makes available $1,150,000 to be spent during a period ending not later than June 30, 1957.

A Regional Coordinating Committee on Gypsy Moth Control was formed with members representing Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, and Rhode Island. Working with representatives of the Federal Bureau of Entomology and Plant Quarantine, the committee developed a program under which efforts have been and will be made to control this destruction.

During recent consideration of the problem, representatives from Pennsylvania and Delaware have joined in meetings of the committee and communications were received from Kentucky, Maryland, Michigan, North Carolina, Ohio, Tennessee, Virginia, and West Virginia expressing concern as to the potential threat of the gypsy moth's spread and endorsement of the program for the prevention of that spread.

The program emphasizes the need of establishing a barrier zone and of cooperative survey and eradication within that zone.

In order to do this, appropriation of Federal funds is necessary and the figure has been placed at approximately $860,000; $560,000 was carried in the last budget but the recommendation for the coming fiscal year was only $197,000.

In view of the seriousness of the situation in the Northeast, in view of the active efforts of the State and local governments in those States, in view of the fact that the establishment and operation of a barrier zone is primarily for the benefit of States other than the Northeast States, and in view of the comparative amounts of Federal activity in connection with the woodlands of the Northeastern States in contrast to such activity elsewhere, the undersigned urgently request the subcommittee to recommend the requested appropriation of approximately $860,000.

While the amount recommended by the subcommittee falls short of the amount recommended by the Massachusetts delegation the extent of $331,200 it is $331,800 over the amount recommended by the Bureau of the Budget and certainly will be of substantial assistance. The subcommittee has demonstrated clearly its interest in the problem confronting this New England and New York area, and I am confident that if those who are close to the operating program in that area can furnish further details and justification for the higher amount to the committee in the other body so that some further action may be taken there, we can expect an entirely satisfactory final result.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WAINWRIGHT.]

(Mr. WAINWRIGHT asked and was given permission to revise and extend his remarks.)

Mr. WAINWRIGHT. Mr. Chairman, the only reason I am taking the time of the committee is to ask the chairman of of the subcommittee whether the proposed cut that had been suggested, I believe, by the Bureau of the Budget, for work on the golden nematode which may devastate the potato crop on Long Island has been restored or not?

Mr. H. CARL ANDERSEN. I might say the committee restored the cut of $144,900 proposed, and we have made available $346,400 for this eradication work.

Mr. WAINWRIGHT. Mr. Chairman, I should like to take the opportunity to thank the committee for having done this. It is quite evident that without these funds a potato famine on Long Island could occur. If the golden nematode is not eradicated in the Long Island area it could spread and devastate all other potato areas.

This gives me an opportunity to spread upon the record the names of the special farm committee in Suffolk County who advise me on these matters. These five men give unselfishly of their time, without reward, to see the farm problems properly presented. They are Mr. J. Carlton Corwith, of Water Mill; Mr. Anthony Tiska, of Bridgehampton; Mr. Dewey Lewin and Judge Austin Warner, of Calverton; and Mr. Leon Fenning of Riverhead.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from California.

Mr. HUNTER. I want to say to the gentleman from New York that this is a very important program to which the committee gave very considerable consideration. We appreciated greatly the very excellent testimony given by the gentleman from New York [Mr. WAINWRIGHT] in support of an increase in this appropriation. I know that it means a great deal to the State of New York and the potato industry of that State.

Mr. WAINWRIGHT. I thank the gentleman very much. The fact that I was of some influence in having the committee restore these funds is very gratifying.

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. CANNON asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, this bill brought to the floor of the House by the Appropriations Committee, as you know, is the result of several weeks hearings held by the subcommittee of the Appropriations Committee and its general provisions have been approved by the full committee.

It is a bill of tremendous importance to the economy of the Nation as it covers moneys appropriated for every phase and every activity of agriculture.

I think generally the committee has done a splendid job which will be appreciated by the farmers of the Nation and which will strengthen the economy of our country.

Mr. Chairman, the total amount of appropriations for 1954 for the Department of Agriculture reached $734,692,439. This bill carries an appropriation for the coming year of $698,410,313 which you will notice is $36,282,126 less than was appropriated for the prior year.

While this is a small reduction may I point out that this committee has been diligent in reducing the cost of the Department of Agriculture each year and by such practice since 1940 the cost of operating the Department of Agriculture has been reduced 42 percent, while some other departments of Government have greatly increased their expenses rather than reduced them.

One can get an idea of the cost and the importance of this legislation when one takes into consideration that this bill carries the following:

For Agricultural Research Service over $82 million;

For Extension Service, $38,876,514;

For Forest Service, over $72 million;

For Conservation Program Service, $191,700,000;

For Agricultural Marketing Service, $98,590,371;

For Commodity Stabilization Service, $99,600,000;

For Farm Administration, $145,500,000;

For Loan Authorization plus administrative expense, $23,750,000;

And for various other agencies of the Department which time will not permit me to enumerate.

Mr. Chairman, I feel that the committee has provided ample funds for soil conservation which is so important not only to conserving the farmers' soil but important to over 160 million people who depend on the soil for food. We must be watchful and preserve the fertility of the soil for the added millions yearly of increased population.

Mr. Chairman, I understand that there may be some increase in the amount appropriated for research and extension work, before we conclude the consideration of the bill today. There are some Members who feel that these two items should be increased to the budget estimate. The total of such increases would amount to about $9 mil-

lion, if the House desires to restore these cuts.

REA FUNDS

Mr. Chairman, I am pleased to note that our committee has provided additional loan funds for rural electrification in the amount of $100 million in this bill. I would like to point out that the Appropriations Committee has increased the budget request of $55 million by $45 million, which will bring the loan fund for the coming year up to the high mark of $100 million.

FOR REA TELEPHONE SERVICE

I would also like to point out that we have provided the full budget request of $75 million loan fund to be used in the extension of the REA telephone service, which is an increase of $7,500,000 over the appropriations made for telephone service over the recent year.

The increase loan fund for electrification, providing $100 million for the coming year, should be a sufficient answer to some of the prophets of gloom who, for political purposes, have charged that the REA service is in mortal danger. Those political charges have been made in Illinois and doubteless over the Nation, and if further proof is needed as to the policy and position of the Congress with reference to the continued support of REA, which, of course, it is not needed, I should like to call to the attention of the Members of the House a part of the report on this bill from our Committee on Appropriations:

COMMITTEE REPORT

The committee has had reported to it many instances where private power sources are placing more and more restrictions on the activities of REA cooperatives as a condition to negotiating contracts to supply the necessary power. Many times contracts offered by the private power companies are on a year-to-year basis. In the opinion of the committee, REA cooperatives are entitled to a firm source of power at reasonable rates and on a dependable basis, with the full right to operate on a basis which will render maximum service to eligible consumers. The committee feels that the Administrator's authority to provide loans for power generation should be fully utilized, if necessary, in order to assure adequate power to REA cooperatives on a reasonable basis.

This committee report, in which it sets out that the committee feels that the Administrator's authority to provide loans for power generation should be fully utilized, if necessary, in order to insure adequate power to REA cooperatives, on a reasonable besis, is important, and is an indication that the Congress is determined to protect the REA as it grows in the future to the extent that they may build their own power-generation plants, when necessary, to assure them adequate power, at reasonable competitive rates.

From my conversation with officials of REA cooperatives, in my State, I am convinced that it is not their desire to build a power empire, but it is only their desire to build an occasional power-generating plant when it is necessary to prevent users from being charged excessive rates for power by private companies, or because they are not able to secure adequate power in an area without paying excessive and unreasonable rates. I want them to have this protection.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. H. CARL ANDERSEN. I am very much pleased to see the gentleman agrees with the action the subcommittee has taken on this very vital question. As the gentleman has stated, there are very many desirable control programs and action programs which means much to the people of America. We simply had to try to do the best job we could, and it was with the help of such gentlemen as the gentleman from Illinois [Mr. VURSELL], who came before our subcommittee as well as many other Members of the Congress who have always shown their interest in agriculture that we did decide to go along and take the track we did. Again I thank the gentleman for his kind reference to the work of the subcommittee.

Mr. VURSELL. I will say to the gentleman that the committee had a difficult job and I think they took a broad view of the things which they believed would be best for the entire country on the basis of their experience in the programs that they have helped to set in motion, and in trying to do that on a limited budget, they had considerable trouble, but I still say it was a very good job.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I compliment the committee on bringing to the House a bill which, I think, is well balanced and even though they found it necessary to go above the budget in some instance, I think it was completely justified.

I would like to ask the chairman of the committee, my friend, the gentleman from Minnesota, with whom I have had many dealings in the agricultural field, how much is in this bill for the Little Sioux soil-conservation and flood-control watershed in northwestern Iowa?

Mr. H. CARL ANDERSEN. As the gentleman from Iowa will recall, the witnesses from the Department justified $737,000 for that particular item. The subcommittee has seen fit to restore the general cut on these 11 watersheds to the extent of more than $1 million, and consequently we would estimate that on a percentagewise coming back, so to speak, into the fund, the Little Sioux would have somewhat between $850,000 and $900,000 available for this coming year.

Mr. JENSEN. I thank the gentleman and the committee.

Mr. MARSHALL. Mr. Chairman, I have no further requests for time.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 8 minutes to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. Mr. Chairman, this appropriation bill carries the funds for many worthwhile services within the Department of Agriculture. However, there is a need for substantial modification of provisions which continue heavy subsidies of production in the face of an urgent need for reduced production.

One of these production subsidies masquerades under the name of Agriculture Conservation Program, commonly known as ACP. It is indeed a masquerade to use in connection with this program the lofty idea of conservation, because most of the $195 million provided is used by farmers in a way which improves their soil for use now and in the near future, not for the long-time future.

Use is the principal depleter of soils and use in the production of unneeded surpluses is the worst method of wasting our soils which could possibly be devised. Of course, the proponents will insist that a large part of the money goes into grasses and cover crops which hold and improve the land, but, in actual practice, this simply becomes a rotation of crops contributing to the production of larger crops within the period of the rotation.

Now, I am not against soil conservation for the next generation and believe that the Soil Conservation Service should be continued with perhaps more money available. The Soil Conservation Service might very logically take over the administration of practices under this ACP program which do actually conserve soil for the next generation.

I am not against the use of grasses and cover crops in the realm of farm management. I simply object to the Government paying the bill for these things which any farmer should do for himself in the course of good management. If he does it with his own money and succeeds in a free market, we can give him a lot of credit. In the meantime we have not sabotaged the general taxpayer, first in promoting production in a protected market, and then again socked when the Government picks up the surpluses.

In this bill there is proposed an additional $55 million for ACP aid to farmers who, under high support-price regulations, have to divert some of their acreage. On top of the enormous price subsidy paid to these farmers, this bill proposes that we add another subsidy to help them carry diverted acreage, which, in turn, can be used for production within a year or two by simply shifting the diverted area back into production.

The appropriation for this program should be cut back to at least the level suggested last year by Secretary Benson, $140 million and the bill should not carry any provision for funds to help carry diverted acreage.

FARM HOME ADMINISTRATION

Another foolish scheme, which is worse than ACP in principle, is the Farmers' Home Administration, for which this bill provides more than $22 million to meet the administrative expense of loaning $145 million.

Of course the high administrative cost can be understood when you realize that it takes a lot of money to support salesmen in every county in the United States beating the country roads to find poor farmers who can qualify for this type of loan. And what is the qualification? The farmer customer of these loans is the farmer who is so completely broke

he has no credit whatsoever with any legitimate loaning agencies, not even with the other Government agencies, such as production-credit associations.

The agent of home loan seeks out this type of farmer and loans him money to stay in production or improve his production facilities. If he grows the right crops and finds a glutted market, another administration of the Government will rescue him and add to the already enormous hoard of food and fiber withheld from the consuming public.

What this loan program really does is to blackjack the self-reliant farmer as a taxpayer and tell him frankly that the money is to be used to rescue and maintain his inefficient competitor. No wonder the farmer is in a poor bargaining position in a free economy. Government subsidy and promotion of production keep him that way.

This farm-loan program is no small matter to be blithely passed up by Congressmen representing nonagricultural taxpayers and consumers. After some years of administration, this program has outstanding loans, with no real security, amounting to $750 million. You may say this is not much, but it has been costing as high as $28 million a year just to administer it.

We have here a tiger by the tail and cannot let go, for some of these loans run as long as 40 years. It is a thoroughly impractical, socialistic scheme of rescuing the perishing and keeping them in competition with self-reliant enterprisers. The Farm Home Administration should be liquidated as soon as possible and the long-time loans turned over to some other agency.

SCHOOL-LUNCH PROGRAM

Another program which has great merit in itself is the school-lunch program, but, in my opinion, there is no justification for the Federal Government putting up $77 million for a program which can be handled much more efficiently on a local level. Government purchase of supplies for distribution through the school-lunch program is very inefficient and in no way contributes to the stabilization of farm markets. Every county supervisor of the school-lunch program will tell you that Government supplies, instead of being conducive to a balanced diet, actually interferes with intelligent supervision of diet simply because they must constantly emphasize the items pushed on them by the Government.

In a project like this, the fairest distribution of costs would be on a strictly local or county basis with the State and Federal Government participating only with technical advice and planning.

CONCLUSION

The consideration of these three items in this appropriation bill should be individual, each standing on its own merit; but, taking them as a whole, it is my firm conviction that $210 million could be eliminated from this bill with no disservice to farmers and a nice little saving to taxpayers.

[Mr. H. CARL ANDERSEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. FULTON. Mr. Chairman, I am one of those moderates in Congress who wants to help the farmers who need help, but we should be sure that they are the group that needs the help. I believe we should help the family type farmer, and the farmer who needs insurance against complete crop failure, and also help the veteran and the young couple who want to get started. But should we treat the big corporation farmers or the vast landholders in the same way?

As you recall, in previous years I offered an amendment to the agricultural conservation program saying there should be no benefits given to any farmer who in any calendar year made $10,000 a year net after payment of all his expenses and taxes and depreciation allowance, which is everything that he could get as credit for expense under the income tax. I felt a limit was needed because any individual that earns more than $10,000 a year net should not receive the free benefits at the taxpayers' expense.

My question to the gentleman is this: You want the agricultural conservation program and you would like some of us from the industrial areas to vote for it. Would you agree to a limitation on the free benefits to be given under this program to people who earn under $10,000 a year after the payment of all necessary expenses and taxes for the particular calendar year?

Mr. H. CARL ANDERSEN. There are no free benefits under this bill. The soil-conservation payments are in part reimbursement to the farmers of America who try to see to it that their soil is conserved in such a fashion that the children of Pittsburgh and for generations to come will have ample food to eat.

Mr. FULTON. The gentleman forgets that I have a farm near Pittsburgh and as Congressman I make more than $10,000 a year, but I would feel badly if I imposed on the American people to get free payments from the Treasury to run my farm.

Mr. H. CARL ANDERSEN. In direct answer to that question, it is not within the purview of the subcommittee to put such legislation into this bill.

Mr. FULTON. Why do you want to give free benefits to somebody making more than $10,000 at the taxpayers' expense? I would like to know that. I cannot see why anybody should be aided after making more than $10,000 yearly after payment of taxes and then call on the taxpayers for aid in this kind of a program.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I am amazed that the gentleman refers to it as a free payment or free benefit.

Mr. FULTON. What is this money payment in here for but for benefits?

Mr. MARSHALL. Anybody who earns does something to earn it.

The CHAIRMAN. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

Agricultural Research Service

Salaries and Expenses

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate insect pests and plant and animal diseases, and to perform related inspection, quarantine, and regulatory work, and meat inspection: *Provided*, That not to exceed $15,000 of the appropriatios hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase (for emergency replacement only) of not to exceed one, and the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed $7,500 and the cost of altering any one building during the fiscal year shall not exceed $3,750 or two percentum of the cost of the building, whichever is greater:

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State Agricultural Experiment Stations; $33,154,365, of which not to exceed $20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Ga.

Mr. HUNTER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty Members are present; not a quorum.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. H. CARL ANDERSEN and Mr. WHITTEN.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. What is the question before the House?

The CHAIRMAN. The question is, Shall the Committee now rise?

Mr. H. CARL ANDERSEN. Mr. Chairman, I am in opposition to that motion and ask that someone else, who is in favor of the motion, act as teller.

The CHAIRMAN. The Chair will ask the gentleman from California, Mr. HUNTER, to act as teller in place of the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. FULTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. Mr. Chairman, the gentleman who made the motion says now that he is not in favor of it. I make the point of order that therefore the motion is not in order. Is he with-

drawing the motion? There can be no parliamentary status to the motion in the situation.

The CHAIRMAN. The Chair will state the parliamentary status. Tellers have been ordered, and the Chair has appointed Members to act as tellers. The gentleman from Minnesota [Mr. H. CARL ANDERSEN] has stated that he does not wish to serve, and the Chairman has appointed the gentleman from California [Mr. HUNTER] to serve as teller, with the gentleman from Mississippi [Mr. WHITTEN].

The question is on the motion that the Committee do now rise.

The question was taken; and the Committee divided, and the tellers reported that there were—ayes 3, noes 98.

So the motion was rejected.

The CHAIRMAN. A quorum is present.

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: On page 3, line 2, strike out "$33,154,365" and insert in leu thereof "$35,353,000."

(Mr. HUNTER asked and was given permission to revise and extend his remarks.)

Mr. HUNTER. Mr. Chairman, first I should like to say, as I said during general debate, this is a good bill. However, I hope by this amendment to make it better.

What my amendment does is to increase by $2,198,635 above the committee recommendation but equal to the amount recommended by the President, the Bureau of the Budget, and the Secretary of Agriculture, the amount for the Agricultural Research Service, salaries and expenses.

This amount, as I say, was recommended by the Bureau of the Budget, and is approved by the President and the Secretary of Agriculture. Both the American Farm Bureau Federation and the National Grange in testifying before our committee testified in favor of this amount. I am informed by the chairman of our Committee on Appropriations, the gentleman from New York [Mr. TABER], that he has no objection to this increase. I am also informed that our majority leader, the gentleman from Indiana [Mr. HALLECK], has no objection and, as a matter of fact, is in favor of this increase.

During general debate I stated that one of the most important things we can do today to help solve the serious and perplexing problems which face American farmers is to increase our efforts in the field of research, because in that manner we can help the farmer to cut his costs, increase his yield, and increase his markets and thereby help him to a better net income. This offers a cure to the ailment and is superior to what might be called the aspirin tablet approach so often followed.

I have here an excerpt from title I, Public Law 773 of the 79th Congress, the Research and Marketing Act.

It states:

It is also the intent of Congress to insure agriculture a position in research equal to that of industry which will aid in maintaining an equitable balance between agriculture and other sections of our economy.

Research in the field of agriculture undertaken or assisted by the Federal Government has not kept up with research in industry. We have for agriculture today a program which is comparable to that of 1940. True, the amounts appropriated have increased during the years, but in terms of constant purchasing power, the program today is no better than it was in 1940. Yet, our problems have increased and become more complex. There is greater need today than ever before for agricultural research.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield.

Mr. COLE of Missouri. This brings the figure up to exactly the amount that was recommended by the Bureau of the Budget. That is correct, is it not?

Mr. HUNTER. The gentleman from Missouri is correct. My amendment brings the amount for this particular item up to the exact amount recommended by the Bureau of the Budget and approved by the Secretary of Agriculture and the President.

Mr. COLE of Missouri. Will the gentleman also later offer an amendment to raise the amount allowed for the Extension Service?

Mr. HUNTER. I am informed that amendments will be offered to raise to the budget level the various items for research and extension work.

Mr. COLE of Missouri. The reason I asked the question is I am very much concerned and very much in favor of both amendments, and I intend to support the gentleman's amendment.

Mr. HUNTER. The gentleman from Missouri will be glad to know I feel exactly the same about the matter.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield.

Mr. BELCHER. I commend the gentleman for offering this amendment. I am wholly in accord with it. I have had the feeling that we have spent a great deal of money and have done a good job in learning how to produce, but we have not done as good a job in learning how to use these products that we have produced and how to market them. I commend the gentleman for offering his amendment.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield.

Mr. ENGLE. Will the gentleman's amendment cover the Institute of Forest Genetics and for research in forestation or is it related solely to agricultural work?

Mr. HUNTER. That is related to another item. I understand that an amendment will be offered later which will cover the particular item in which the gentleman from California is interested.

Mr. ENGLE. I thank the gentleman.

Mr. HUNTER. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, reserving the right to object, I think we might as well make it plain right now that no such requests are going to be honored under the 5-minute rule, and I object. That hits everyone, including the chairman, who is now speaking.

The CHAIRMAN. Objection is heard.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if we agree to an amendment of this nature, we might as well have the budget come in and write the agriculture appropriation bill for the subcommittee. The gentleman's amendment, with all due respect to my fine colleague, touches not a half dozen items but 4 or 5 dozen items in this particular bill. There is no way of bringing before the House at this time just what items will be affected, but let me give you just a little idea. In the first place, the budget had asked of us, for example, an increase of $550,000 in the item known as soil and water management. We did give them $150,000 of that increase after careful study. But what do they have now under that particular general item? They have the big sum of $3,291,600. Yet the gentleman from California [Mr. HUNTER] would without any special discussion or study by the subcommittee involved put back in $550,000 of which $400,000 is unnecessary in the opinion of the subcommittee.

Let us taken another item, livestock diseases. We have the huge sum there in research of $5,357,000 today. The budget asked for an increase of $245,000, about 4 percent. We told them that they had a vast amount of money and that they could certainly take some programs they had been working on for years and divert them to more necessary phases of research; consequently, we refused to agree to this item of $245,000 increase.

If the gentleman's amendment is agreed to, where in these many different areas are these particular increases going to be placed? What decreases made by the subcommittee will hold up? Just where are we?

A general amendment of this nature without specifying anything that the House can understand, without specifying just how and where this particular amendment will apply, may have the effect of upsetting some of the increases that we have given for projects that are very meritorious at the expense of turning everything over to the budget and letting them write the bill for us. Just why, if this procedure is followed, should we waste weeks in hearings only to have our determinations swept away?

Let us take another item, economic research. The budget asked $198,000. For what? For studies relative to agricultural problems. I have a very high regard for Mr. Wells and his organization, but we have already given him $1,283,000 to keep a large number of people down there working and planning as to what they think will be to the best interest of agriculture. Why should we give them another $198,000 in this particular amendment? Our subcommittee has not seen fit to agree to it. Will this Committee legislate in this fashion, not

knowing what you do in the many items affected by Mr. HUNTER's amendment?

Insecticidal residues is an item for which the budget has asked an additional $175,000 on top of the huge sum of $3,419,000 that we have proposed in the bill. Where will that $175,000 be used, Mr. Chairman, if this amendment is agreed to? Mr. Chairman, I am disturbed at the evident pressure for spending money brought upon this Congress by farm groups and others in regard to the pending and other suggested amendments. Just what has happened here today? I know that the Members have been bombarded by people who demand more and more money and who disregard the intolerable national debt we are faced with. Shall we, or shall we not, have a sense of fiscal responsibility? Do you think your particular State is in such bad financial condition that Uncle Sam must dish out millions additional for research, for extension, and for experiment stations? I repeat, it is my impression that we have a good bill. Lists distributed in this Chamber today appeals to you on the basis of what your State stands to gain by the proposals for increases being sought. Are you going to succumb to such pressure? I personally am not. My committee has brought a good bill to the floor, not a dime over the budget, and I intend to stand by it. I ask that you turn down this amendment.

Mr. MAHON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it was not possible for me to listen to the general debate on this bill because some of us have been engaged this afternoon in a markup of the military appropriation bill. Among the items which we considered in this markup were several hundred millions of dollars for military research and development in this country.

Through the years we have timidly approached the question of research in agriculture, and we are today paying a very heavy penalty for it. It does not make much sense to me to spend well over a billion dollars a year in military research and not do a more ambitious job in the field of agricultural research, in a field where we are being beset and threatened with economic disaster. The trouble is we have not found the answers to the questions which confront us. Those answers can be found through a wise and continuous policy of research.

I rise not in repudiation of the subcommittee. If I should try to select the subcommittee of Congress with which I am most generally in accord I think I would select the subcommittee headed by the able gentleman from Minnesota [Mr. H. CARL ANDERSEN]. Mr. H. CARL ANDERSEN and Mr. WHITTEN and those who serve with them on the subcommittee have served the interests of American agriculture through the years with unswerving loyalty and, I might say, with great skill and effectiveness. The subcommittee has done a good job, but the bill can, in my judgment, be improved. I realize that the subcommittee was under heavy pressure to stay within the budget. That, of course, was a very serious and important consideration.

In my opinion, the Members of the House generally feel that these research and development programs—these extension programs that were in the budget request—should be approved. The increases that the subcommittee made above the budget—and the whole committee has ratified them—should stand. But feeling as I do about research and knowing what I do about research, I could not be other than of the opinion that if the Department of Agriculture cannot spend profitably, and in the best interest of the farmer and taxpayer, the $35 million a year on agricultural research there is something radically wrong with that Department.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. If we were to follow the budget we would not have given for the control of the pink boll worm, which affects the gentleman's State, so much as we are giving them here. We are giving them $150,000 more than the budget requested. That is just an instance to show that it is not wise to jump to the conclusion that this particular amendment is worthwhile. We were able to help a thing like the pink boll worm in Texas because of holding down these increases.

Mr. MAHON. I do not question the service to agriculture which the gentleman has performed. I only differ with him here to a limited degree. I shall support the committee in its effort to help the pink boll worm fight and in other important programs which are above the budget. It does seem to me that we are on sound ground here. Both major political parties have gone overboard for this program of agricultural research. The consumers are for it and the farmers are for it. It is in the interest of the consumer, I am sure.

While I hesitate to support an amendment which does not completely meet with the approval of the subcommittee, I cannot in good conscience do otherwise at this time.

I want agriculture to have the full budget estimate of $35 million to go out and do a better job in these laboratories, to find the answer to the substitute fibers, to find the answer to overproduction and to find new uses and new markets for the various crops grown in all sections of the country.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I take this time to ask the chairman of the subcommittee a question. Do I understand that there is $1,800,000 in this bill for research at Palm Island in hoof and mouth as well as other highly contagious animal diseases?

Mr. H. CARL ANDERSEN. That is correct.

Mr. GROSS. I call the gentleman's attention to the fact that the Federal Government presently holds a herd of cattle which were smuggled into this country from Mexico. I do not know what disposition will be made of that herd, now held in Louisiana, but I hope the subcommittee will inquire into the feasibility of using these cattle that the Federal Government presently holds.

Mr. H. CARL ANDERSEN. The Department of Agriculture has taken very emphatic steps relative to that breach of the law and it is my further understanding from reports relative to it that the gentlemen who brought in those cattle are in for severe punishment.

Mr. GROSS. I am speaking now of the use of those confiscated cattle for experimental purposes at Plum Island rather than spend the taxpayers' money for the purchase of another herd. I simply wanted to call that to the attention of the subcommittee.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, earlier in the debate this afternoon, in his excellent presentation, the gentleman from Mississippi [Mr. WHITTEN], called attention to the fact that the State Department has thrown up roadblocks to the disposal of surplus American farm commodities. The gentleman from Wisconsin [Mr. LAIRD] called to the attention of the gentleman from Mississippi the fact that this is nothing new in the State Department; that it has been going on for a number of years. I want to say to the gentleman from Wisconsin [Mr. LAIRD] that one of the reasons why I voted for a new administration in 1952 was to change the policies that have been in effect, including the dictation of the State Department to all other agencies of Government. I regret to say that in all too many instances the policies of the old Acheson regime still prevail.

I have here a letter from the Department of the Army under date of April 1 this year. Let me read to you from this letter:

> During calendar year 1953 approximately 5,344,000 pounds of butter were purchased from overseas sources, principally Denmark, for use in the Far East Command.

And why was this butter purchased in Denmark? To implement State Department policy.

Here we have the State Department ordering the buying of nearly 5.5 million pounds of foreign butter and apparently shipping it all the way from Denmark out to the Far East rather than purchase our own surplus butter and ship it from our own west coast.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. LANHAM. I am glad to say that the House Committee on Foreign Affairs has the State Department and the FOA on the carpet now about that very problem. We heard testimony this morning that was not altogether satisfactory. They have not satisfactorily explained to us why these roadblocks have been thrown up. However, it is true that that problem is a serious one, and they have many problems to face that possibly the balance of us do not realize.

Mr. GROSS. That may be true, but we also have our problems and it is

pretty sickening to hear the farmers of this country castigated while the Government buys millions of pounds of butter for the armed services. I am not in favor of it. The gentleman from Mississippi [Mr. WHITTEN], has been calling attention to the obstacles the State Department has thrown up in the way of disposal of American farm surpluses in speech after speech on this floor. I am for him, and I hope he continues to call attention to this disservice to the farmers and the economy of this Nation.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes, 5 minutes to be reserved to the gentleman from Mississippi [Mr. WHITTEN].

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, in taking the floor on this amendment, I feel somewhat like an indulgent father who has to turn down his favorite youngster on some request that he would like to grant. I firmly believe the chairman of this subcommittee and I as well as others on this subcommitee are among the best friends, research and extension have anywhere, I believe we have proven to be effective friends.

In this bill, as I tried to point out, the Bureau of the Budget sent down to us, to our subcommittee, a bill which cut out practically all quarantine programs, cut out programs for the eradication of the gypsy moth, work on the eradication of brucellosis and tuberculosis; cut out work to control the Japanese beetle and the sweetpotato weevil. It reduced money for the soil conservation service. It reduced cooperation in the States in fire fighting. It reduced practically all State payments in all places where people were out doing work in the field of agriculture. It reduced the school lunch program $15 million.

This budget, and this Department, after cutting out those things, gave the money to extension and research. I have led the fight here for attention to research through the years. I offered the first amendment to restore funds at the time when they were reduced in the 80th Congress. I wrote the provision, and was supported by our subcommittee, that raised the extension payments to the highest level permitted by the law, including the 4-H Club work. It was at my personal request, approved by our subcommittee, that we got a bill prepared, which was later passed by the Congress, taking the ceiling off. We have done those things.

In this bill we have saved many essential farm programs. We have restored those programs and practically every Member of the House from farm areas has come to us and asked us to stand up and be counted to take care of these problems in American agriculture. Then we were able, under the overall budget ceiling, to provide millions more for research and extension.

There is no finer friend of American agriculture than the chairman of the subcommittee, Mr. H. CARL ANDERSEN. He has stood up like a man and has helped to work out those programs. It was demanded of him that he hold his bill within the overall budget. He did that, I would guess, against his personal desires. I would be least appreciative if I did not stand here and say that I thought that he had done a wonderful job of trying to balance these things out in view of all his problems.

Mr. Chairman, what we have here is an amendment to add $2 million for research. I think perhaps $2 million more could well be used in additional research, provided a case was made out in 1-2-3-4 order and provided you dug into the matter deeply to see that they could not meet the job with the $61 million the bill provides.

I am for agriculture, but I try to be for agriculture on a sound basis, as I try to be for everything else, on a sound basis. As to anybody who speaks in favor of such amendments as these, ask them what it is that the Department is not doing now that they would do if they got the extra money. Why can they not shift existing funds? Now, doubtless, the Department will make such a case when the bill is before the other body. I know you have been getting telegrams from all over the country, from the very folks who urge the Bureau of the Budget and the President to cut out many of these programs which you asked the committee to protect and turn the money over to this activity. That is where you are largely getting your telegrams.

From a political standpoint, I should like to be able to get up here and speak for them, and send that message back to them. Doubtless, I will get the other side of it. Unfortunately, I have my problem of supporting the majority of the subcommittee which has tried to do a good job. I think I should stand up and be counted. I do not know how to get so many things solved and then shift position. I should like to urge my friends who are speaking for these amendments, and who would get some little political benefit from it, to let this matter go to the other body, where they can spell it out in 1-2-3 order. If the Extension Service and if the research people make a good strong case, showing what else it is that they want to do in the way of results and why they cannot do it with the funds they have, I will be the first man to insist on it in conference.

I want to pay high tribute to my colleagues on this committee, the Honorable H. CARL ANDERSEN and the majority of his group, for the very fine way in which they have tried to put first things first and have tried to strike a happy balance.

There are a lot of things in here that are not exactly as I would like to have them. I know that is true of any bill. But this is the best we could do collectively if we were going to stay within the budget at this time.

[Mr. FORD addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. WAINWRIGHT].

(Mr. WAINWRIGHT asked and was given permission to revise and extend his remarks.)

Mr. WAINWRIGHT. Mr. Chairman, earlier today there was discussion of Plum Island, which is the agricultural laboratory for work and research on the hoof-and-mouth disease. Several years ago it was a very controversial question in our area that this site had been selected within the First Congressional District of New York.

Two grave issues are involved. The first, and by far the most important, consideration is the adequate protection of our citizens. I refer not only to the immediate communities, but also to the great masses of population, numbering over 12 million within a 130-mile arch. The other serious consideration is that nothing must be done to delay the advance of science as it attempts to overcome animal disease, whether by natural cause or inflicted by an enemy.

The Department of Agriculture is charged with the responsibility of protecting the livestock industry from naturally occurring outbreaks of disease, whereas the Army Chemical Corps is charged with the defense against diseases of animals which might be directly provoked through enemy action. Under an agreement with the Department of the Army, the Department of Agriculture will operate the research facilities at Fort Terry, Plum Island. Through this interagency agreement it will be possible for the United States Government to conduct this very necessary and extremely important research in a way which will be advantageous not only economically but, even more important, available scientific talent can be utilized by both agencies.

For more than a year I have been aware of the development of these projects on Plum Island. My foremost concern, as noted above, has from the very beginning been the impact this research would have on the citizens of the First Congressional District. Consequently, in February of this year the dean of the Cornell School of Agriculture, Dr. Hagen; the former Surgeon General of the United States Army, Gen. Norman Kirk, who is a resident of Montauk, L. I.; the commissioner of conservation of the State of New York, Perry B. Duryea; State Senator S. Wentworth Horton, and I, made an inspection of this laboratory. We were given a thorough briefing and taken on an extensive tour of all facilities in operation and were advised of those in the planning stage. These technically qualified inspectors who accompanied me assured us, and they assured the board of supervisors governing the county of Suffolk in Long Island, that all possible safety precautions are being taken to protect the communities on Long Island as well as those on the mainland from any hazard that

may be connected with the research projects to be carried out.

This investigation, plus a thorough study of all available facts, leads me to the conclusion that these projects will prove a distinct asset to the welfare of our Nation and will benefit to some extent the economy of the citizens of Long Island. I felt that the House of Representatives should be assured of that fact and brought up to date on it.

[Mr. SIKES addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, I am sure that in this day and age, every person is interested in research. I do not think there is any question about that. Your committee is interested in research. Do you know of any Members of this body who have been more interested in agriculture than the chairman of this subcommittee, the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and the gentleman from Mississippi [Mr. WHITTEN]. Year in and year out they have been just as interested in agriculture as anybody could possibly be. Your committee sat down and went into hearings at great length over this particular item. This is the most money that the research people have ever had? We have specific items in this bill for research on nematodes and cheese mites and cotton utilization. What item have you got that you can specifically spell out that you will need more funds for?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman who has rendered such distinguished service on the Committee on Agriculture.

Mr. COOLEY. Am I correct in saying that the amount provided in the bill is $2,198,635 less than the budget recommended?

Mr. MARSHALL. The gentleman is entirely correct.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

(Mr. JAVITS asked and was given permission to revise and extend his remarks.)

Mr. JAVITS. Mr. Chairman, the argument that the subcommittee has made and considered this matter and that the people who support this amendment cannot point out exactly what projects will be undertaken would be valid and logical if the committee itself had not told us exactly what it is doing. The committee said, and I call your attention to page 2 of its report:

> The committee had presented to it a budget which sharply curtailed the so-called action programs of the department and placed strong emphasis on its research and extension activities.

Thereupon the committee changed that and reversed it and placed strong emphasis on what it called action programs.

The big problem of much of the farm group in this House is that it feels it necessary on the whole to standpat; it wants to take all these price-support programs and $250 million in soil-conservation payments for practices most farmers have been doing anyhow and other benefits but is not too quick to find another and perhaps better way.

The people who have a real interest in seeing agriculture made more efficient and more capable of meeting the problem of supply and demand in this country have got to have an interest in a more fundamental philosophy and this is an amendment directed in aid of such a fundamental philosophy; but you cannot go ahead far enough if you want to be constantly burrowing with these action programs. Two million dollars-plus under this amendment compared with about $1 billion in contract authority and appropriations in this bill does not amount to a great deal relatively in money but it does indicate the fundamental philosophy of those of us who are for this new policy. We want to move forward in this agricultural picture, and the quickest way to get to moving forward is to have better research especially here at a time when the new Secretary of Agriculture is willing to show us some modernism in attacking farm problems.

I think this is a question of fundamental philosophy and for that reason we should support this Secretary of Agriculture in this kind of research program which does mean going forward in a new direction much needed in the interests of city consumers and of the farmers.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. H. CARL ANDERSEN. Does not the gentleman agree that our action program changed whereby we put $9 million into the school-lunch program is a step in that direction?

Mr. JAVITS. Of course, I like to see more in the school-lunch program, but you are not going to divert me by that. It is imperative to do something elsewhere, too. This amendment is, as I say, a step in a newer direction and it should be taken.

The CHAIRMAN. The gentleman from Indiana [Mr. HALLECK], is recognized to close the debate.

Mr. HALLECK. Mr. Chairman, it is with mixed emotions that I rise at this time. Let me say first of all that I rise in support of the amendment, and I say that as one who has constantly sought here to achieve economies in Federal expenditures; and in that opposition I do not altogether associate myself with the arguments that have just been made by the gentleman from New York [Mr. JAVITS]. I say that for this reason, the fact that we recognized the need in agriculture for continuing research to find better marketing methods and the other things that are involved does not mean that we go in a direction which requires that we abandon other essential parts of the agricultural program which are presently in force and the consideration of which will shortly again be before us.

I think there has been a great awareness generally among all of our people, certainly on the part of the administration and among farm organizations themselves that for the long-range solutions of the agricultural problems we require the best thought possible, we require research into all of the avenues that have to do with agriculture; and as I see it that is what is here sought.

As I understand, the amendment in regard to this item would bring the amount in line with that recommended by the Budget Bureau and by the administration.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. H. CARL ANDERSEN. For information, this subcommittee has given to research for all of its activities in the Department of Agriculture approximately $2½ million more for this fiscal year.

Mr. HALLECK. May I say to the gentleman I recognize that. He himself has told me of that action, and it is certainly commendable; however, I am also inclined to believe that in present-day circumstances we probably see a need for an increasing effort along this very line that possibly might not have been in evidence some time back.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to congratulate and commend the distinguished majority leader upon the position he has taken and I am delighted to know that he is supporting the amendment now under consideration. This is a very important amendment to a very important provision in a very important bill. Actually, I do not know of any group in all American agriculture which is opposed to the proposed increase in this fund. It is difficult for me to understand why the committee feels justified in fixing the amount substantially below the amount recommended by the President and the Secretary of Agriculture. I know that all the members of the subcommittee are great friends of agriculture. I am certain that they appreciate the importance of research in the field of agriculture. Of course, we all want to balance the budget and to economize in every way possible. The fact remains that this reduction below the amount recommended in the budget might actually prove to be false economy rather than genuine economy. My State of North Carolina is ready to go forward and to do a real job in an expanding research program. Our money is ready to meet and to match Federal appropriations and every dollar of the funds our State has provided plus Federal appropriations is badly needed. I could, of course, enumerate the very worthwhile projects which will be undertaken and prosecuted with great diligence and interest. Perhaps other States may not be ready but I am glad to announce that North Carolina is ready and anxious to go forward and to make new discoveries in the interest of all of the people of our Nation. I join with my friend, the majority leader, in urging the adoption of the pending amendment. I know that

the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has worked faithfully and worthily in the drafting of this bill and I hope that he will not resist the adoption of the amendment since I am certain that it is not only in the interest of agriculture but is in the interest of the general welfare of all our people.

Mr. HALLECK. I was not privileged to sit during all of the hearings and I do not know. In taking the floor at this time, may I say that I recognize the magnificent work that has been done by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and members of his committee, and it is with great reluctance that I find it necessary to take the position I do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The question was taken; and on a division (demanded by Mr. COOLEY) there were—ayes 59, noes 38.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Do we have a quorum present?

The CHAIRMAN. The Chair believes we have a quorum present.

Mr. H. CARL ANDERSEN. What was the result of the division vote?

The CHAIRMAN. If the gentleman insists, the Chair will count. The vote as recorded was 59 ayes, 38 noes, a total of 97.

Mr. H. CARL ANDERSEN. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Minnesota demands tellers.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. If I move that the Committee do now rise, the teller vote then will come on Wednesday when we return?

The CHAIRMAN. The Chair may say that the teller vote on the gentleman's motion will come whenever the Committee resumes its sitting.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move that the Committee do now rise.

Mr. JAVITS. Mr. Chairman, on that I demand a division.

Mr. H. CARL ANDERSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will say for the information of the gentleman that a quorum is not required on a motion that the Committee rise; however, the Chair has observed additional Members entering the Chamber since the vote.

Mr. JAVITS. Mr. Chairman, I withdraw my demand.

The CHAIRMAN. The question is on the motion offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The question was taken; and, on a division (demanded by Mr. ROONEY) there were—ayes 98, noes 14.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ELLSWORTH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8779, had come to no resolution thereon.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITTEN. It is my understanding that this bill will go over until Wednesday. Is that correct?

The SPEAKER. That question should be directed to the majority leader.

Mr. WHITTEN. Might I inquire of the majority leader whether this bill will go over until Wednesday.

Mr. HALLECK. That is correct.

SPECIAL ORDER VACATED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order granted for me tomorrow be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. DAVIS of Georgia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DAVIS of Georgia. Will there be a session tomorrow?

The SPEAKER. The gentleman should direct that inquiry to the gentleman from Indiana [Mr. HALLECK], the majority leader.

Mr. DAVIS of Georgia. Will there be a session tomorrow?

Mr. HALLECK. Yes. It is our proposal to meet tomorrow. However, as you all know, tomorrow is primary day in Illinois, and many Members are absent, and following the practice that we have heretofore honored, we will not have any record vote tomorrow. I assume the session tomorrow will be a very short one.

Mr. DAVIS of Georgia. I thank the gentleman.

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was granted permission to address the House tomorrow for 15 minutes, following any special orders heretofore entered.

COLUMBIA RIVER BASIN

Mr. DONDERO. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8377) authorizing the appropriation of funds to provide for the prosecution of projects in the Columbia River Basin for flood control and other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (b) under the title "Columbia River Basin" in section 204 of the Flood Control Act approved May 17, 1950, as amended by Public Law 75, 83d Congress, approved June 22, 1953, is hereby further amended by striking out "$150,000,000" and substituting in lieu thereof "$166,000,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. 507 was laid on the table.

(Mr. MACK of Washington asked and was given permission to extend his remarks in the RECORD at this point.)

Mr. MACK of Washington. Mr. Speaker, the purpose of this bill is to keep construction work on the Dalles Dam on the Columbia River on schedule.

Unless $16 million additional is appropriated this year for work on the Dalles Dam the installation of generators in that dam will fall 12 months behind schedule. If these generators fall 12 months behind schedule the Federal Government will lose 12 months revenue from those generators. The United States Army engineers figure that 12-month loss in power revenue will be $11,600,000.

The Federal Government is going to spend this $16 million sometime during the next 3 years. We think it should be spent now, during the coming year, for by spending it now rather than 3 years from now the Federal Government will recapture $11,800,000 from additional power earnings.

Now that this dam is so far advanced in construction, sound and wise business procedure demands the Federal Government should complete it as soon as possible and thereby get it earning power revenue to pay back to the Federal Government the money the Federal Government has invested in this dam.

Now that the House has passed this bill providing an additional $16 million in authorizations, I am hopeful the Senate will increase the Dalles Dam appropriation sufficiently to keep this dam on schedule so that it can start producing power and earning revenues for the Federal Government at the earliest possible date.

(Mr. ANGELL asked and was given permission to extend his remarks in the RECORD at this point.)

Mr. ANGELL. Mr. Speaker, I rise in support of H. R. 8377, a bill which I introduced March 15, 1954, for the authorization of additional funds for projects in the Columbia River Basin, which is applicable particularly to the Dalles Dam. The purpose of this legislation is to authorize this additional $16 million which will cover the $5,100,000 that was eliminated from the budget recommendation in the appropriation bill that recently passed the House, among other reasons, because it was not authorized, and also to give additional authorization to permit the Dalles Dam to proceed on schedule, and which will bring the final completion of the dam 1 year earlier than could be done under the appropriation bill as it passed the House. By permitting the dam to continue on schedule

the Government will save $11,800,000 in revenues from the sale of hydroelectric energy which would otherwise be lost with the completion extended a year. It would certainly be unwise to delay completion of this project under these circumstances.

There is a heavy demand for all of the power that can be produced in the Columbia Basin from both Federal and private utility projects and unless the dams now under construction are completed according to schedule we will be deprived of the necessary power in the area to meet the economic demands for power. In fact an additional authorization for a new start should be made this year as the demand increases each year by some 400,000 to 500,000 kilowatts. I hope that the other body will restore the cut in this appropriation so that the $16 million will be added to the authorization for the Dalles Dam which will permit it to be completed on schedule and thus save 1 year in construction time. The bill is entitled to the support of all our Members.

(Mr. JENKINS asked and was given permission to extend his remarks in the RECORD at this point.)

[Mr. JENKINS' remarks will appear hereafter in the Appendix.]

MUSTERING OUT PAYMENT ACT OF 1944

(Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have today introduced a bill to amend the Mustering Out Payment Act of 1944, which as presently written prohibits the payment of mustering out pay to certain of our most deserving veterans. Section 1 (b) (2) of the present law denies mustering out pay to any member of the Armed Forces who, at the time of discharge, or release from active service, is transferred to the retired list with retirement pay, or to a status in which he received retirement pay. Thus, as interpreted by the armed services, no mustering out payment can be made to any member of the Armed Forces who at the time of discharge is entitled to receive retirement pay.

Now, unfortunately, we have veterans from World War II who were still in hospitals on active duty when the Career Compensation Act of 1949 was passed. That act provides that officers and enlisted personnel shall be retired if they are disabled. It does not allow persons to be discharged and then draw compensation from the Veterans' Administration. Instead, they must be retired and then they can waive their retired pay and draw compensation from the Veterans' Administration instead of retired pay, if they so choose. Now in most cases, Veterans Administration compensation for the lower enlisted grades exceeds the retired pay that certain individuals would be entitled to under the Career Compensation Act. And thus, in many instances, it was to the advantage of the individual with certain disabilities to waive his retired pay and accept compensation from the Veterans' Administration. But since the Mustering Out Payment Act precludes the payment of mustering out pay to anyone who is retired, a situation has existed since 1949 in which a small group of enlisted men, all of them amputees, have been denied mustering out pay since by the time they had received full hospitalization for their injuries which they received during World War II, the Career Compansation Act had been passed and they had been forced to be retired, thus being deprived of their mustering out pay.

The bill I have introduced will allow these individuals to be paid mustering out pay even though they have been retired for disability.

SOCIAL SECURITY SYSTEM

(Mr. BENNETT of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT of Michigan. Mr. Speaker, one of my principal concerns since I first came to Congress in 1943, has been the strengthening and improvement of our social security system.

On three occasions during my service in Congress, the social security law has been amended—the first time being in 1946, and again in 1950 and in 1952. On each occasion, its coverage was broadened to include many more persons or its benefits increased. Today nearly 8 out of every 10 employed persons in the United States are entitled to social security protection. At the present time, about 69 million persons have protection under this law. But there is still much to be desired before a completely satisfactory pension and survivors' system is achieved. One of the most important things to remember is that better social security will add immeasurably to the peace of mind and well-being of the individual citizen who will be covered for the first time under this plan, and, furthermore, it will add greatly to the national sense of domestic security. That is the reason I have introduced legislation to make further perfections in the law.

Under my bill, approximately 10½ million individuals would be offered social security protection for the first time. Nearly 6½ million of these would be brought into the system; the remaining 4 million would be eligible for coverage under voluntary group arrangements. New groups to be covered would include self-employed farmers; many more farm workers and domestic workers than are now covered; doctors, dentists, lawyers, architects, accountants, and other professional people; members of many State and local city, county and municipal retirement systems on a voluntary group basis; clergymen on a voluntary group basis and several other smaller groups.

THE AVERAGE FAMILY PROTECTED

A great many people have the impression that our social-security laws are designed primarily to provide retirement pensions for elderly people. Furthermore, many young and middle-aged people have the feeling that social security is not useful to them except in the distant future. This is far from being the case, however, because one of the finest features of the Social Security Act is the protection it gives to young and middle-aged couples whose families are not yet grown. For example, take the case of a young married couple, aged 35, with three small children. The father dies, leaving the widow and young children surviving. In such a case, the social-security law pays survivor benefits to the widow and each of the 3 children until the youngest child has reached age 18. This kind of protection provides great consolation and a sense of security to young people raising families, who have been unable to provide for adequate insurance or other savings sufficient to raise the young family to maturity in case the breadwinner dies.

I would like now to discuss in some detail the provisions of the legislation which I am sponsoring, and which, I hope, Congress will adopt before it adjourns this session. These are some of the most important features.

LOWERING THE AGE OF ELIGIBILITY TO 62

Under the present law, a pensioner and his wife must each reach age 65 before being eligible to a retirement pension or annuity. My bill would reduce the eligible age for pensioners from 65 to 62, and in the case of surviving widows, would reduce it from age 65 to 55. The benefits of a lower retirement age have been demonstrated in many ways. By the time the average person reaches age 62, he has completed 40 years or more of active productive labor. It is only fair then that he should be able to retire at that time and enjoy the fruits of his labor. Furthermore, an earlier retirement age with an adequate pension will provide an incentive for older workers to give up their jobs and employment in favor of the younger generation—all of which will help stabilize our economy and greatly narrow the unemployment gap.

Reducing the eligible age for widows to age 55 will take care of a great inequity which exists at the present time. A widow without children or one who has her family raised at age 55, must wait an additional 10 years before she is entitled to her social-security annuity. In most cases, this means great hardship because, with very few exceptions, a housewife at age 55, is unemployable unless she happens to have special professional skill. But, in the average case, a widow of 55 or over, who is without other financial means, finds herself dependent on the charity of friends or relatives until she reaches age 65 and becomes entitled to her social-security annuity. Therefore, this change in the law is of vital concern to hundreds of thousands of widows who are suffering financial hardship at the present time, because of this inequity.

INCREASE IN BENEFITS

My bill will increase benefits in the lower pension and survivor benefits bracket by as much as 45 percent. There are many people today who are receiving minimum social-security pensions of $25 per month. Such a meager amount in a country like ours, is a na-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of April 13 & 14, 1954
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CONTENTS

HIGHLIGHTS: House passed agricultural appropriation bill. Both Houses agreed to conference report on road-authorizations bill. Sen. Douglas introduced and discuss, bill to dispose of surplus commodities. Senate debated buildings lease-purchase bill. Senate committee reported fish-marketing bill. Sen. Thye submitted and discussed amendment to wool bill to establish 85% dairy supports. Rep. Stringfellow inserted Secretary's research speech.

HOUSE - April 13

1. ROAD AUTHORIZATIONS. Received the conference report on H. R. 8127, authorizing road appropriations for the fiscal years 1956 and 1957 (pp. 4782-6). The conferees agreed to the House figure of $22,500,000 for forest highways (Senate figure, $25,000,000), and agreed to $24,000,000 for forest roads and trails (House, $22,500,000; Senate, $25,000,000). The conferees agreed to the Senate amendment authorizing the Commerce Department to conduct research on roads and traffic. The conferees also adopted the Senate provision that any funds authorized for the fiscal year 1955, or authorized under this bill for forest highways, forest roads and trails, etc., shall be immediately available for contract.

2. FARM PROGRAM. Rep. Staggers requested that additional attention be given to the small farmer in connection with development of farm programs (p. 4782).

HOUSE - April 14

3. AGRICULTURAL APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 8779 (pp. 4862-85, A2780, A2789-91, A2799-800).
Agreed to the following amendments:
By Rep. Hunter, to increase the research item of ARS from $33,154,365 to $35,353,000 (the budget estimate); by a teller vote of 151 to 30 (p.4862).
By Rep. Cotton, to increase payments to State Extension Services from

$35,610,279 to $39,675,000 (the budget estimate); by a voice vote (pp. 4870-3).
By Rep. Ford, to increase Federal Extension Service from $1,381,235 to $1,925,000 (the budget estimate), and penalty mail from $1,885,000 to $2,000,000; by a voice vote (pp. 4873-4).
By Rep. Andersen, to increase forest roads and trails from $14,498,000 to $16,000,000 (the budget estimate); by a division vote of 92 to 24 (p. 4876).
By Rep. Hagen, Minn., to increase Soil Conservation Service operations item from $58,165,671 to $58,965,671, providing $800,000 for continued free distribution of soil and land capability maps to farmers in lieu of sale, as contemplated in the budget; by a division vote of 51 to 45 (p. 4876).
By Rep. Forrester, to authorize use of not to exceed $28,000 of the ARS research appropriation for construction or purchase of a pecan research station at Albany, Ga.; by a voice vote (pp. 4862-3).
By Rep. Cederberg, to increase payments to State Experiment Stations from $15,453,708 to $19,453,708 (the budget estimate); by a voice vote (pp. 4869-70).
By Rep. Horan, to increase marketing research and agricultural estimates, AMS, from $9,100,800 to $10,215,000 (the budget estimate); by a voice vote (p. 4882).
By Rep. Laird, to increase payments to State departments of agriculture, markets etc., from $573,000 to $900,000 (the budget estimate); by a voice vote (pp. 4883-4).
By Rep. Cannon, to increase school lunch program from $77,011,416 to $83,464,000, which is an increase of $15,464,000 above the budget estimate of $68,000,000; by a voice vote (pp. 4882-3).
By Rep. Hill, to increase Forest Service research from $6,170,564 to $6,528,500 (the budget estimate); by a voice vote (pp. 4874-5).

Rejected the following amendments:
By Rep. Voss, to increase the ARS item for plant and animal diseases and pest control by $35,200 for control of Hall scale; by a voice vote (pp. 4868-9).
By Rep. Fisher, Tex., to increase flood prevention by $5,000,000; by a division vote of 41 to 71 (pp. 4877-8).
By Rep. King, Pa., to decrease the advance authorization for the 1955 Agricultural Conservation Program from $250,000,000 to $140,000,000; by a division vote of 29 to 83 (pp. 4878-80).
By Rep. Fulton, to reduce the maximum payment permissible under ACP from $1,500 to $1,000; by a division vote of 13 to 80 (pp. 4880-2).

An amendment by Rep. King., Pa., providing that no ACP payment may be made on land which during any 1 of the previous 10 years has been the location of a practice for which payments were made, was ruled out of order (p. 4884).

4. ROAD AUTHORIZATIONS. Agreed, 134-9, to the conference report on H. R. 8127, the road-authorizations bill (pp. 4856-9). The Senate also agreed to the report (pp. 4834-9). This bill will now be sent to the President.

5. ELECTRIFICATION. Rep. Pfost defended herself against charges by the utility companies (pp. 4889-92).

6. STATISTICS. The Post Office and Civil Service Committee reported without amendment H. R. 8487, to provide for censuses of manufactures, mineral industries, and other businesses for 1954 (H. Rept. 1539)(p. 4893).

7. SOIL CONSERVATION. Rep. Jenkins described plans for SCS work on the Upper Hocking watershed (p. 4853).

8. LEGISLATIVE PROGRAM. The Consent and Private Calendars are to be considered Apr. 26 (p. 4885).

servance of Pan-American Day is not sufficient.

During the month of March, the American republics held the tenth Inter-American Conference at Caracas, Venezuela. The Inter-American Conference is held every 5 years and at it the policies of the Organization of American States are defined; practical problems, common concerns and constructive programs in the political, cultural, social, and economic fields are discussed, resolutions adopted and recommendations proposed. That is not the end, but rather the beginning of the matter.

Out of the work of the conference develops the program of the Organization of American States and its organs, always under the guidance of the council of the OAS, members of which are accredited Ambassadors of the American republics. The role of the OAS and its specialized agencies are, as the years go by, acquiring more importance and significance and making greater contributions to the welfare of us all.

During the first session of this Congress, the Subcommittee on International Organizations and Movements of the House Foreign Affairs Committee held hearings on the role of international organizations in our foreign policy. These hearings have been continued during this session as well. As chairman of that subcommittee, I can say how impressive has been the record of accomplishment by the specialized agencies of the inter-American system, accomplishment achieved without fanfare and with little publicity.

One of the organs of the Organization of American States will be active particularly in the months ahead in making serious studies in preparation for the economic conference which is to be held at Rio de Janeiro later this year. This organ of the OAS is the Inter-American Economic and Social Council. The council will also arrange and be responsible for the holding of the conference.

There are several conclusions, if not lessons, which should be obvious to all of us if we will but realize and appreciate the Inter-American system.

First, effective Pan Americanism requires a consciousness of its importance throughout the year, for it is a cornerstone upon which not only this hemisphere depends for security and welfare, but it is as well one of the few forces upon which the world can find some guidance toward the peace we all seek.

Second, in a positive and a constructive sense the inter-American system, which steadily contributes to progress in all fields of human activity, is a dramatic story too little appreciated because we are diverted by world tensions and preoccupations related to instability and insecurity in other parts of the world.

Third, there is no substitute for confidence in one's neighbors, in cooperation through democratic procedures and mutual respect—qualities which make the Inter-American system unique and insure its permanence.

We should take pride in the Inter-American system and do our part to strengthen its effectiveness for the common good of the peoples of the 21 republics.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JACKSON. I yield.

Mr. McCORMACK. I also desire to join with the gentleman from California in the very excellent and appropriate remarks he has made on this occasion. The holding of these exercises each year, as we might call them, is of great significance in the Western Hemisphere, and to all the peoples and countries in the Western Hemisphere, and is evidence of that understanding and is a contribution toward the creation of that understanding which is so essential in the world today, and which we particularly want to see among the peoples and countries of the Western Hemisphere.

Mr. JACKSON. I thank the distinguished gentleman.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. JACKSON. I yield.

Mr. FERNANDEZ. I want to associate myself with the sentiments expressed by the gentleman this morning as well as by all of the other Members who have spoken. In many of the Latin American countries they stress the teaching of English. I think here in the United States we, too, also ought to stress the teaching of Spanish and the learning of Spanish, because the learning of the language of another country is helpful toward good understanding between the countries. I recall when we had Ambassadors to South America, for instance, Mr. Wallace, who spoke the language—they made friends for us in South America.

Mr. JACKSON. I thank the gentleman.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to commend the gentleman from New Mexico [Mr. FERNANDEZ] for his suggestion that the teaching of Spanish in the schools of the United States would be a large and practical contribution to the strengthening of the ties of friendship with our Latin American neighbors. I am sure that the many persons who go for visits in Mexico, and who visit the countries of Central and South America on Caribbean cruises, would be better ambassadors of good will if they were conversant with the Spanish language and thus got closer to the peoples of those countries. We in the United States should be a two-language people, the English of North America, the Spanish largely of Mexico, Central and South America. I can conceive of no greater contribution on our part to the strengthening of Pan American relations than a law in our States making the teaching of Spanish compulsory in all the public schools of the respective States.

As a boy it was my good fortune to be a pupil in the public school in San Juan del Norte in Nicaragua. I was the only person in that school who spoke English, and at the time of my entrance I was the only person in the schoolroom who did not know even a word of Spanish. It was the custom in that school to study aloud, the master standing in the rear with a ruler which came smack upon the head of any pupil who was not shouting with sufficient loudness the text of the lesson he was studying. That was many years ago, when my Spanish literally was pounded into me by the whacks of the master's ruler, correcting each mispronunciation with another rap. From that association in the public school of a town on the Caribbean on the edge of the jungle, where in learning Spanish by the hard way I also learned the warmth that was in the hearts of master and of schoolmates, I came with an affection for Nicaragua and her people second only to that for my own country and countrymen and which many, many years of separation have not erased or diminished.

(Mrs. FRANCES P. BOLTON (at the request of Mr. JACKSON) was given permission to extend her remarks at this point in the RECORD.)

Mrs. FRANCES P. BOLTON. Mr. Speaker, today is Pan-American Day, when all the peoples of the America's express their gratitude and thanksgiving that so great a group of nations as these 21 American Republics of ours—covering so vast an area and including so many millions of human beings—have found a way of working together in the name of prosperity, safety, and peace.

It is highly appropriate that Pan-American Day, dedicated to inter-American understanding and friendship, should come in April. April's calendar is starred with names and dates that are like beacons in the history of the hemisphere. The illustrious list begins on April 1 with the birthday of Gen. George W. Goethals, whose great work for the Panama Canal was a service to mankind; and it closes on April 30 with the anniversary of George Washington's inauguration as first President of the United States. April 2 is the birthday of Washington Irving, first of our writers to serve as interpreter between the English-speaking and Spanish-speaking peoples. April 5 is the date of the battle at which Chile won her independence. April 6 is the anniversary of the death of José Bonifacio, the Brazilian patriarch of independence who won his triumphs in the lists of peace; and April 21 is Tiradentes Day in Brazil, honoring another hero of the sister Republic's independence. April 12 is the birthday of Henry Clay, whose ringing eloquence in behalf of our recognizing the other American Republics makes his name still loved and revered in Latin America.

Forty-four years ago, on April 26, 1910, the Pan American Union Building was dedicated here at Washington. More than four centuries ago, Ferdinand Magellan, discoverer of the straits that bear his name, died on April 27, 1521; and on that same date 270 years later the inventor of the telegraph, Samuel F. B. Morse, was born. James Monroe, promulgator of the Monroe Doctrine, has his birthday on April 28. And, of course, midway of these other anniversaries, comes Pan American Day itself on April 14, the date when the American Republics joined together in 1890 to form the association that has become the Organization of American States.

The cooperation which the American Republics carry on freely and voluntarily

through the Organization of American States, as friends and equals, touches many aspects of our lives as individual citizens and as nations. There is, of course, our cooperation for mutual defense and hemisphere security; a basic factor of our relationship. There are also the innumerable interchanges of experience and technique in the fields of public health, education, agriculture, housing, and city planning.

Much of our inter-American interchange on both the large and the small scale is carried on with great effectiveness through private enterprise. Much of the visiting back and forth between the United States and Latin America on a purely personal and individual basis contributes in large degree to the ever-broadening reservoir of mutual understanding and good will.

My own experience internationally—which includes study abroad in my youth—has taught me how lasting, how significant, and how rewarding can be contacts established in the formative years when young minds are open to receive impressions that remain for a lifetime. I hope that such cultural interchange with the other American Republics, both official and unofficial, will continue to strengthen the existing good will which is so marked a characteristic of the inter-American system.

In this respect, I should like to call special attention to what the Commonwealth of Puerto Rico is achieving in drawing the American Republics into closer fellowship and understanding. I am particularly interested in this area since I was the United States representative who handled the item of Puerto Rico self-government at the past session of the United Nations General Assembly.

Puerto Rico makes a tremendous contribution to better hemispheric relations and shows its good neighborliness by using its facilities to help train peoples from the Latin American nations. The Puerto Rico training program began in May 1950, when the first 16 trainees arrived from Latin America under a United States Government grant. Last year nearly 500 trainees, visitors, and students were in Puerto Rico under various technical-assistance programs. More than three-fourths—383—of all trainees have come from 19 Latin American countries. They have studied in the fields of health, social services, education, labor, agriculture, public administration, housing, economic development and industrialization, engineering, and social programs.

In addition, there have been several inter-American group training projects. For example, the Organization of American States, through an agreement between the Pan American Union and the University of Puerto Rico, established a 6 months' training center for cooperative leaders from the 9 Central American and Caribbean Republics. The Inter-American Institute of Agricultural Services at Turrialba, Costa Rica, now has an agreement with the University of Puerto Rico for the training of groups in home economics, administration of agricultural-extension services, and other fields of agricultural research.

Puerto Rico has demonstrated its unique fitness as a training area, and plans during the present year to increase the opportunities for other nations to benefit by its experience.

My own city of Cleveland has carried on an inter-American program for many years; and I believe that we have profited by it locally, nationally, and internationally. This program has included, among other things, special courses on the American Republics in our schools and by women's clubs and other organizations, special features in our press, encouragement of exchange of students and teachers, interchanges of art exhibits, broadcasts to Latin America of the music of our Cleveland Symphony Orchestra. Particularly active in this field has been Mr. Charles J. Ewald, executive director of the internationally recognized Cleveland World Trade Association. Such programs enlarge our own horizons, and strengthen the basis of inter-American friendship. I am convinced that they make better citizens of us all.

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this happy occasion.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the resolution. The resolution was agreed to, and a motion to reconsider was laid on the table.

(Mr. McGREGOR asked and was given permission to revise and extend his remarks.)

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Minnesota.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8779, with Mr. ELLSWORTH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Monday, April 12, there was pending an amendment offered by the gentleman from California [Mr. HUNTER] on which a teller vote was ordered.

Without objection, the Clerk will again report the amendment offered by the gentleman from California.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: On page 3, line 2, strike out "$33,154,365" and insert in lieu thereof "$35,353,000."

The CHAIRMAN. Tellers having been ordered, the Chair appoints the gentleman from California [Mr. HUNTER] and the gentleman from Minnesota [Mr. H. CARL ANDERSEN] as tellers.

Mr. COLE of Missouri. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLE of Missouri. Mr. Chairman, is this the amendment that the majority leader, the gentleman from Indiana [Mr. HALLECK], spoke for and endorsed?

The CHAIRMAN. The Chair must inform the gentleman that that is not a parliamentary inquiry.

The Committee again divided; and the tellers reported there were—ayes 151, noes 30.

So the amendment was agreed to.

Mr. H. CARL ANDERSEN. Mr. Chairman, may I ask that today the Clerk read the bill in its entirety and slowly so that certain points at which we desire to offer amendments will be made available?

Mr. HALLECK. Well, Mr. Chairman, I do not know of any rule that requires the Clerk to read the bill slowly, but he can read it.

The CHAIRMAN. For what purpose does the gentleman from Georgia rise?

Mr. FORRESTER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FORRESTER: On page 3, line 5, before the period insert ", and of which not to exceed $28,000 shall be available for the construction or acquisition of the necessary lands and buildings for a pecan research laboratory at Albany, Ga."

Mr. FORRESTER. Mr. Chairman, I wish to state the effect of this amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. It is my understanding that the amendment offered by the gentleman from Georgia has regard to a research station having to do with pecan research. If the Department does not acquire this station it will in the long run pay more in rent than the cost of acquisition. Is that correct?

Mr. FORRESTER. That is correct; and there are additional facts, but I think the gentleman has stated the situation very succinctly.

Mr. H. CARL ANDERSEN. I further understand that this station is being utilized by the Department at this time and that it was the intention of the Department, had they had the opportunity, to place this request before the subcommittee. Is that correct?

Mr. FORRESTER. The gentleman is absolutely correct. The Department of Agriculture Research Division when they were asked about this recommended that this amendment be passed.

Mr. H. CARL ANDERSEN. This does not require any additional funds but is simply an allocation of specific funds out of this item for that purpose.

Mr. FORRESTER. The gentleman is correct.

Mr. H. CARL ANDERSEN. And as the gentleman from Washington, [Mr. HORAN], said to me, it will eventually save money. I have no objection to the amendment. I accept it if it is agreeable to the other side.

Mr. FORRESTER. Mr. Chairman, I yield back the balance of my time and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. FORRESTER].

The amendment was agreed to.

The Clerk read as follows:

Plant and animal disease and pest control: For operations and measures to control and eradicate insect pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law; $17,461,380, of which $400,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to meet emergency conditions: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That, in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Chairman, seemingly the gentleman from Mississippi [Mr. WHITTEN] and my subcommittee and I have been laboring under an illusion. We had a certain budget presented to us. We found that that particular budget went far astray in certain fields, that it did incalculable harm to certain control programs, that it left nothing whatsoever in the bill for assistance under section 6 for the school-lunch program, that it accentuated additional payments to the States in behalf of extension assistance and experimental work. It struck out all indemnities to farmers for brucellosis and tuberculosis reactors. It took away personnel from Soil Conservation Service and asked for no technicians for the 143 soil-conservation districts. The budget request was so lopsided in favor of research and extension, and so deficient in support of our great action programs, that we could see that here was a proposal of men who were prejudiced against much that the Congress favors and ignorant of what we term a balance between research and act. REA loan authorization requests were very inadequate. We had to repair this lopsided budget request. We were laboring under the illusion, as expressed to me by my leadership, that we should try to maintain the total budget at the level presented to us, six hundred and ninety-eight-million-odd dollars. My leader has repeatedly urged, and justly so, that we should take into consideration the fact that this splendid old Nation of ours has a national debt of $276 billion. Personally, I have a strong sense of fiscal responsibility in my determination of what money should be appropriated. It has been difficult to readjust and repair the damage to our action programs and yet not exceed the total budget. I remember many Members of the House of Representatives coming before my subcommittee beseeching us to help them on various problems, beseeching us to restore funds for State and private forestry cooperation, beseeching us for this and that, and to undo the unrealistic pattern of too much emphasis on research as compared to action programs putting research results into effect.

Mr. Chairman, I am going to be very blunt here. I was especially disturbed, after the full Appropriations Committee of the House of Representatives had agreed almost unanimously with the work of this great Subcommittee on Appropriations for Agriculture, and following the report to the full Appropriations Committee almost unanimously by the members of my subcommittee, at the turn events have taken.

What happened following all this on Friday last? There came to me the news that a meeting was held in the White House, that pressure had been brought to bear from certain groups throughout the Nation. Farm groups, dissatisfied with our allocation of funds in this bill appealed to the White House for aid—yes, and evidently these groups were sustained in their pleadings, because seemingly suggestions were relayed to my leadership here to agree today to considerable increases in this bill. Remember, our bill had been approved almost unanimously by my subcommittee and by the full Appropriations Committees and yet my leadership has deserted me in my efforts to bring a well balanced, well studied bill before you, with the budget overall limitation.

I am not here going to be put in the position of fighting worthwhile programs in agriculture, such as research, extension and experiment stations. No, Mr. Chairman, if the White House, if the Secretary of Agriculture, if the Farm Bureau and the National Grange, if the leadership on my side in this House have determined that the lid shall be off on this bill; if they have determined as they evidently have, looking at the stack of amendments pending on the desk, that increases in the bill can be made, that there is no reason for too great a degree of fiscal responsibility here, why, there is nothing that I can do but accept gracefully. I must change my erroneous line of thinking that it has been very necessary to try to balance our Federal budget. I need not worry too much in the future about holding adequate and painstaking hearings on all of the various items in our bill, because here you have discarded our judgment, gained from careful study, and most of you here today have succumbed to the mistaken belief my subcommittee has been in some way unfair to extension and research. By your listening to words from the executive branch, you have destroyed the fine balance that my subcommittee has made between research and action programs. By your lack of confidence today in my subcommittee, who know these programs, and by following the dictates of our leadership here, whose knowledge of these programs is necessarily not as deep, you have injured for years to come the great Department of Agriculture. It is my intention, now that seemingly the lid is off, to protect agriculture's great programs rather than simply adding employees to this bill. As long as this course has seemingly been concurred in by most of my side of the House, it is my intention to try to still maintain some semblance of balance by supporting amendments designed to aid and protect soil conservation, school-lunch program, Farmers Home Administration, rural electrification, and forestry. Seeing that my authority as chairman of the subcommittee has been abrogated, I shall try, as long as the budget ceiling here has been broken, to see to it that the school-lunch program shall receive the $15 million, which our friends in the executive branch denied. I personally intend to try to see to it if possible that the $800,000 that we very reluctantly held out of the Soil Conservation Service for map purposes shall be reinstated.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(At the request of Mr. H. CARL ANDERSEN, and by unanimous consent, he was allowed to proceed for 5 additional minutes.)

Mr. H. CARL ANDERSEN. Mr. Chairman, I repeat, I personally would like to see this $800,000 put back in that we very reluctantly loaded onto the backs of the farmers of the Nation in making them pay for farm plans under the Soil Conservation Service. I personally would like to see somebody offer an amendment to put the roads and trails for the Forest Service up to what the budget requested so that we can get out the huge amounts of timber that are now becoming ripe and going to waste. I think that is just good business sense, and I hope somebody will offer the amendment for the Forest Service, and if they do not, I will myself.

Now, Mr. Chairman, that is my position. Do not labor under any illusion whatsoever that I do not know what is happening here today. This is what bothers me. It has always been my intrinsic, basic feeling that the Congress of the United States should appropriate, but here we are handing over to Mr. Milton Eisenhower, to Secretary of Agriculture Ezra Benson, to Mr. Allen Kline,

and such, the right to write the appropriation bill for agriculture following, mind you, after full and open discussion in subcommittees for months and following the approval of our work by the subcommittee, every last member of them, plus the full Committee on Appropriations last Friday. I fear that here today we are surrendering to the Executive our authority under the Constitution to appropriate.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Iowa. His services to Extension, Soil Conservation, and Research have been outstanding through his and my 16 years in this body.

Mr. JENSEN. Mr. Chairman, I do not think there is a man in this House who is more sincere and more diligent in the task he has to do than the gentleman from Minnesota [Mr. H. CARL ANDERSEN] I do not think there is a man in this House who has done more for agriculture in the past 16 years than has the gentleman from Minnesota [Mr. H. CARL ANDERSEN] The gentleman from Mississippi [Mr. WHITTEN] his righthand man, has done a great job, and the gentleman from Mississippi will tell you that no man has been more diligent than has the gentleman from Minnesota, and more concerned about the farm problem, and the gentleman from Minnesota will tell you that no man has been more diligent and more concerned about the farm problem than has the gentleman from Mississippi.

I am not blaming the gentleman from Minnesota [Mr. H. CARL ANDERSEN] for taking the position that if this bill is to be amended, he would like it amended properly, in order to bring out a balanced bill. The gentleman wants to help the little fellow. He always has. I am sure the gentleman would even go so far as to say that if this bill is to be amended upward in many places, he would like to see an amendment providing for an increase for the Soil Conservation Service.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct.

Mr. JENSEN. The Soil Conservation Service is a most important agency of the Department of Agriculture, a Service that has really done things for America for the present and for posterity.

(By unanimous consent, at the request of Mr. COOLEY, the time of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] was extended 5 minutes.)

Mr. JENSEN. Mr. Chairman, no man has fought me harder than has the gentleman from Minnesota [Mr. H. CARL ANDERSEN] on several occasions. But he fought me because he thought at the time that he was right and I fought back because I thought I was right. Nevertheless I hold him in high esteem. He is the chairman of this important committee, and his judgment should be honored to a very great degree.

Mr. H. CARL ANDERSEN. May I say to the gentleman that I sincerely appreciate his very splendid remarks. As he has said, it is difficult to watch additional hundreds upon hundreds of employees added to the Department, while action programs affecting directly the farmer himself have no great supporters in the pressure groups today urging changes in this bill.

Today there is this series of amendments that will be presented to the House today, including the one which has just been adopted. And the one which has just been adopted, by the way, will lead to unutterable confusion because now we do not know what has been allocated in the many items that will be affected by that particular amendment. It is like permitting the House to work its will on a tax bill when it is on the floor of the House. In this particular amendment, the items were not specified. I say this with all due respect to the gentleman from California [Mr. HUNTER], a new member on our committee, but one who has performed fine service with us. The items were not specified in the amendment, so that we would know where we were. Just what we can do in conference on this, I do not know.

Sometimes it is worth while for us to search our souls. A little confession may be good at times. Just where is this sort of procedure leading us? Shall we permit the executive department, regardless of whether it is in control of my political party or the other party, to write our appropriation bills? Is not that our inherent responsibility, after due and logical consideration of every matter involved? But here the word has evidently gone out to open this up wide. There are even lists around the Chamber showing how various Representatives will get so much more for their States, if the amendment in behalf of the Extension Service and for experiment stations passes, above the amount approved by my subcommittee. I resent that sort of pressure, Mr. Chairman. I do not think that is the way to legislate. We will regret it in the end.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to my colleague, Mr. WHITTEN. There is no better friend of the farmer, in and out of Congress, than my colleague under whom I have had the honor to serve and who now so capably fills the post of minority leader on the Subcommittee for Agriculture. Mr. WHITTEN is sound, he is fair. He never plays politics with this bill.

Mr. WHITTEN. I should like to join in the statements the gentleman from Iowa [Mr. JENSEN] has made with reference to the gentleman from Minnesota, who is chairman of the Subcommittee on Agricultural Appropriations. Certainly in my experience here there has been no one who has had a more vital interest in the welfare of agriculture or who has worked harder in that job.

I think it might be well to review here what the Bureau of the Budget sent down to the committee this year. They did not simply approve these large increases for the Extension Service, the research programs, and the State experimental stations as such. I wish they had. What the Budget Bureau did was cut school lunch $15 million. The Budget Bureau cut out all funds for the eradication of brucellosis and tuberculosis in cattle. The Budget Bureau reduced the funds going back to the States for cooperation in forest-fire prevention. The Budget Bureau cut out the funds for soil conservation to meet the needs in the new districts. The Budget Bureau cut out various other programs to control the sweet-potato weevil and keep up quarantine supervision between the States on the gypsy moth. Those funds were then divided by the Bureau among the Extension Service and these various other programs. The Budget Bureau reduced REA, SCS, and many other programs.

Let me show you the inconsistency of the budget recommendation. The budget said that these programs which were cut out or reduced were good; they were sound; they were essential; but that under the present fiscal conditions and under the present financial condition of the National Government the States ought to take over the cost. Then they turned right around and recommended large increases in payments to the States for experiment stations and Extension where there is little supervision by the Federal Government. Those programs, too, are good. The budget took away from one group to give to another.

(By unanimous consent, at the request of Mr. WHITTEN, Mr. H. CARL ANDERSEN was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. I think the gentleman from Minnesota and I are as strong friends of research, the Extension Service, and State experiment stations as it has ever had.

Mr. H. CARL ANDERSEN. If the gentleman will yield at that point, may I say that the gentleman from Mississippi all through these years has been pushing for more and more funds in our subcommittee for Extension and especially for research. He has led the fight in the Congress for years. I want the House to know that, and I want the House to know that JAMIE WHITTEN has done, if not more, at least as much as any Member of Congress for the farmers here in the last 16 years.

Mr. WHITTEN. I thank the gentleman for that statement.

Pursuing this situation further with regard to these increases at this point. It is not merely a matter of how much money we can provide but we have some responsibility in this Congress not only to provide the funds but to see that we get a dollar's worth for the work that is done.

If you were to add this money, who is there here that can spell out to you what work is going to be done with the funds? If we are to agree that we are to provide funds, now that the ceiling has been lifted, I would have liked to do it to start with, as would the gentleman from Minnesota, I know, if we had not had some problems connected with it, my suggestion would be that we use what we were able to do here as a floor and that the matter by spelled out in the other body.

Let me say that to cut out or drastically reduce all these programs that are vital, and which the Department agreed are so vital, on the basis that the States ought to pay for them, and then to take that money and pay it to States for other programs was inconsistent.

I agree with the chairman of my subcommittee that, knowing his problems and all the pressures on him to try to hold down Federal expenditures to the budget total; in fact the majority had the problem of staying within the budget. Personally I would have preferred not to, and I know he would, but he stretched as far as he could, and I tried to go along with him as did all the members of our subcommittee, in trying to stay within the budget ceiling for the overall department and yet meet the problems that virtually every Member of this Congress has about elimination of funds by the Bureau of the Budget for control of gypsy moths, reforestation, seedlings, flood protection, and many other items.

The gentleman stood up to restore the school-lunch program and to put the Farmers' Home Administration program on a better basis. The gentleman stood up and worked as hard as anybody could to bring out a balanced program. But, let me tell you this, after doing the best the committee could, we were able to restore about $9 million of the $15 million cut in the school-lunch program. We were able to provide for the extension department $3,600,000 more than they had this year; that much more than they have ever had. We are able to give to the State experiments stations $1,700,000 more than they had this year and more than they have ever had. In addition to that, we were able to provide approximately $2 million more than they have ever had for research. Remember, the committee was operating under a ceiling for the whole Department. There is nothing sacrosanct about being on the Committee on Appropriations or on this subcommittee, but it is a terrific responsibility to stand up and be counted when we, too, would like to get up on the floor of the House and offer amendments to give more and more money for practically every farm program in this program. We would like to do that, but we did take our responsibility seriously and we have done the very best that we could under the ceiling. The gentleman has brought to you a bill which did not have a single, solitary vote against it by his subcommittee, though each member of course made reservations on his personal position on several items. There was a single, solitary vote against it in the whole Committee on Appropriations, and one which the gentleman from New York [Mr. TABER] carried to the Committee on Rules.

Mr. HORAN. Mr. Chairman, if the gentleman will yield, I made a couple of reservations.

Mr. WHITTEN. I am referring to a definite vote against the bill. The gentleman from Washington made two reservations, as I recall, and the gentleman from California made one and of course others had observations, but we all agreed the bill was about the best solution we could all agree on. There were numerous items in the bill which did not please one or the other and which were not exactly what we wanted. But, the point I wish to make is that the gentleman from Minnesota [Mr. ANDERSEN] had every reason to believe he had the solid support of his subcommittee and of the entire committee.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. COOLEY. All of us are aware of the fact that the gentleman from Minnesota and the gentleman from Mississippi are great friends of the research program and of the Extension Service. Why should any of us then be grieved because the House has adopted just one amendment in which all of the friends of agriculture are so greatly interested? Objection was made to the amendment because the amendment did not spell out exactly how additional funds would be used. All the spelling out that the committee has done is contained in about 10 lines in the report and about 7 lines in the bill. The purposes for which the additional money will be used must have been thoroughly justified by those who urged and supported the budget recommendations.

Mr. WHITTEN. I certainly showed no bereavement because the Congress adopted this amendment. I have attempted to show why the committee was not able to make greater provision for this work.

Mr. COOLEY. I can appreciate the circumstances under which the gentleman and his committee were working. I certainly know that he is personally not unfriendly to the amendment.

Mr. H. CARL ANDERSEN. I would like to answer the question, if I may, for the gentleman from North Carolina [Mr. COOLEY]. Mr. WHITTEN and I still have a strong sense of fiscal responsibility, in trying to bring to the House a bill not above the budget. We did not know when we voted on that last amendment, that the lid was off, so to speak. We are trying to do a good job as far as we are able to do within certain limits and the total confines of the budget.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota may proceed for 5 additional minutes.

I want to join with my other colleagues in the House in commending the gentleman.

Mr. H. CARL ANDERSEN. I appreciate the kind remarks of the gentleman from North Carolina.

In conclusion let me reiterate that I am disturbed about the executive department trying to appropriate for the great Congress of the United States. I am disturbed about how a meeting in the White House was able to undo the work which my subcommittee did for 3 months, and brought out a bill seemingly upon which we came to a unanimous agreement. I am disturbed about the possible loss of the right to appropriate to this great legislative body of ours of which Mr. JOE MARTIN is the Speaker and Mr. SAM RAYBURN is the minority leader. I have heard SAM RAYBURN make the remark, "If we do not preserve the dignity and prerogatives of this great body of ours, constitutional government as such is on the way out." I agree with him 100 percent.

If you ladies and gentlemen want to let the executive department, whether it be my party's President or whether it be the Secretary of Agriculture, Mr. BENSON, or any large farm group to appropriate for you, I say that is your prerogative. I will abide by whatever decisions are made today. I will accept with good grace whatever is done. I thank all of you for your splendid attention to my somewhat blunt, but well-intentioned remarks here today.

With that, Mr. Chairman, I leave the floor.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HORAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel the Committee is entitled to some explanation of how this bill came before us. The budget for the Department of Agriculture, as we all know, was written last September, at a time when we were flirting with the ceiling of the national debt. At the time our hearings began we were instructed to stay within the budget if we could. That we tried to do when we reported out the bill. But we left some of the programs that the present administration wanted rather undermanned, and we are now considering this bill in Committee of the Whole where through us, the people of the United States should work its will. I am sorry that my subcommittee chairman feels as he does. To my knowledge there were no Members of Congress at the White House on Saturday morning, as has been pointed out. I do know that I was aware of it and I attempted to reach Saturday morning my subcommittee chairman. He had not yet arrived at his office. I want you to know that, because I am not one who tries to work against my subcommittee nor its chairman. I have served almost as long as my subcommittee chairman, the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and the gentleman from Mississippi [Mr. WHITTEN]. I have enjoyed that work and the work with the other members of the subcommittee. We have a bill before us now. I know this body will work its will on it. I trust we can be led by intelligence and by the facts, and not be persuaded by other matters.

The amendment just adopted was fully considered by our subcommittee, point by point. You can get part I of the hearings and you will find more than 500 pages of testimony on agricultural research, where Dr. Shaw, Dr. Moseman, Dr. Clarkson, Dr. Knipling, Dr. Simms, Dr. Reed, Dr. Hilbert, and Dr. Steibeling and many more of the great leaders in the Research Department of the Department of Agriculture, came before us and spelled it out fully. It is a program that they want to help agriculture at this time when we have fallen upon days of

a buyer's market, and we are storing up more than we can eat.

At a later time I hope to offer an amendment dealing with this very subject.

I hope we can get on with the bill and consider these items carefully.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do not mean to belabor this point, but as I tried to point out in the time of the gentleman from Minnesota he had every reason to believe he had the support of the Appropriations Committee on his bill. Like me and other Members he would have liked to have added funds to numerous programs; however, a majority of the committee felt that the overceiling for the Department was an actual ceiling and we were unable to provide funds for that reason. While I do not feel as much the same way because this year's budget was a reduction of about $36 million below appropriations available this year. However, since the chairman and the majority of the committee had gone along so far as they had in trying to restore these very essential programs eliminated or drastically reduced by the budget and still stay within the budget total, I felt a responsibility instead of trying to make an issue and trying to make a little politics out of it that I should stand with the chairman and with the majority of the committee in presenting the bill, and in doing that I have foregone the desire that I personally would have had and did have to enlarge the research program and to increase the extension work. I think that is the view of our chairman. But I do think it would have been better had we known or had there been any realization that the ceiling could be lifted so that the same funds that were contained in the amendment adopted a while ago might have been spelled out for specific uses, matters that I spoke of in discussing this bill day before yesterday.

I do say that I certainly have no personal objection to this Congress working its will on this bill—and may I say I have never asked Members to vote for anything simply because I had earlier voted a certain way. Circumstances and situations change. I have always tried to set forth the facts as I knew them which convinced me and asked the consideration of the same facts by the Members. In our committee actions the majority was working under what we we thought was a fixed ceiling, and under that ceiling our chairman has done a very splendid job, I firmly believe. As I understand, certain meetings have been held and certain agreements have been reached since that time and the administration or some one in it has decided the ceiling can be lifted—and if I understood correctly, if the ceiling is to be lifted, we can give very fine arguments supporting increased funds requested in a series of amendments. I do say they would have been further strengthened had we been able to develop in the hearings where the funds were actually going to be used in more detail rather than to add them here as part of a large sum on the floor. We did not do that because we had too low a ceiling to see how we could include them under the ceiling.

Apparently the ceiling is raised now, and I want to say again that I do not speak for the chairman of our subcommittee. We were faced with a hard job. I mean it is labor to try to hold back on requests for programs in which we believe. One of the hardest jobs in the world is to turn your friends down in Congress, in an effort to try to hold the line. Our job along that line is the most thankless job you can think of. I hope that I have given, and that in the future I can give, you the facts as I see them, the reasons I believe as I do and ask you to think of the facts and try to get you to see them as I see them. That is all I have ever tried to do, and I have done that. I know you will vote as you please as I have done since I have been here. I hope you will adopt any amendment, always, that you may wish to. I have tried to point out the circumstances under which this bill was written. Circumstances now have changed. It is to be regretted that such change was not made before.

May I conclude by saying that any money that is added in this bill in the House for research, extension, including experiment stations, now that the ceiling has been lifted, will largely have gotten because of the fine action of our chairman and our subcommittee in restoring funds to these vital and essential action programs, so the extension and research can come in here and ask for the money and get it on its merits without its being at the expense of the other programs in the Department which are equally necessary. The increase, in my humble judgment, will come from the fact that we on the committee have seen to it that these regular programs are carried on and that, in addition, these other fine programs can travel on at an increased level on their own merits.

Those interested in research, including State experiment stations, and extension may never realize it, but my increase in funds for these programs which may be obtained will come from the foresight and courage of the chairman of our subcommittee and the members in restoring the funds for action programs taken away by the budget, reducing those programs and giving the money in increases for extension, and so forth. It is my firm belief that had the subcommittee not restored funds to action programs and had the issue been presented to the Congress as the Budget Bureau recommended, reduce one group to add to the other, extension, and so forth, would have lost. They have gained by the way the subject has been handled.

May I conclude by saying, vote as you please. I know you are going to do that, and that is perfectly satisfactory to me, as it always has been. I am glad we have been able to let you vote for these increases instead of having you faced with voting for at the expense of voting against other programs equally essential.

[Mr. LAIRD addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. MARSHALL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, it is with some reluctance that I speak to the committee today because all during the hearings we have had the finest relationship between members of our Subcommittee on Agricultural Appropriations. We have looked at these matters which affect the great agricultural interests of the United States and we have approached them in a strictly nonpartisan way. I do not mean to imply that we have agreed on all items. We of necessity have disagreed on a great number of occasions. But we have resolved our differences in a friendly way.

I want you to know, too, that the Subcommittee on Agricultural Appropriations is not washing any dirty linen on the floor of the House today. Among ourselves we are still in the greatest accord and we have the friendliest feeling toward one another. Neither do I intend to impose or inject myself into the policies on the other side of the aisle. I have a number of friends over there, and I do not intend to get into a partisanship argument today.

Mr. Chairman, I do want to say this in defense, if you will, of my subcommittee chairman: That I have never served with anyone who has treated me any more friendly than the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has. I have never served with anybody who is more sincere than is the gentleman from Minnesota. I have never served with anyone who all through the years has such a high reputation as is enjoyed by my colleague in the seventh district and the whole State of Minnesota because of his interest in agriculture. I want you to know that on a number of occasions I have differed with him on a number of items, but on agriculture we have seen fit to go down the road together. Very, very seldom does anything come up that we do not wholeheartedly agree on, because we know that those items are in the interest of the welfare of the people of this country.

I do not mean to propose to the members of this committee that they should deny you in any way whatsoever the privilege of offering amendments. I learned a long time ago that I did not have a corner on all the intelligence and that other people had ideas that were good ideas; ideas for the benefit of all of us, and I certainly hope if any member of this committee has any ideas that will meet both the fiscal position and the position of agriculture, that those amendments will be offered today. I want you to know that as far as your subcommittee is concerned, I heard long before I came on the Subcommittee on Agriculture Appropriations of the leniency, you might say, as some Members expressed it, that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and the gentleman from Mississippi [Mr. WHITTEN], were extravagant when it came to making expenditures for agriculture. I heard that. It is a little difficult for

me to understand how some of the people who have talked so vehemently in terms of economy all of a sudden change today and say, as I understand, that the lid is off; spend what you want to for agriculture.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was trying to say a moment ago that I think every Member of this House appreciates the very splendid services which the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and the gentleman from Mississippi [Mr. WHITTEN] have rendered to the cause of agriculture through the years. Certainly I have the kindest of feelings and the highest regard for both of our beloved friends and I am sure that all of us are grateful to them for having so well prepared and presented the bill now before us. I am, however, mindful of the fact that while they are both grand champions of the cause of agriculture there are others here who are likewise interested in the many great problems of the Department of Agriculture and sincerely believe that the budget recommendations for agricultural research and education should be accepted and approved and that other items in the bill should be increased. The fact that only one amendment has been adopted is certainly not an indication that the House wants to take the lid off of this bill or that the House leadership intends to sit by and approve all the amendments that are presented. What I said a moment ago, I said it sincerely. I know that down in the hearts of the gentleman from Minnesota and the gentleman from Mississippi they are both for an expanded research program for agriculture, and I believe that they are both for an expanded program in the Extension Service. Unfortunately—and I say it was unfortunate—the gentleman from Minnesota and the gentleman from Mississippi were not taken into the counsels of the party when they discussed the importance of these two amendments, one of which I understand will be presented later.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. TABER. My understanding and my information is that there has been no conference at the White House at which Members of Congress were present in connection with this bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. A great many things have been said here today involving me. I do not want to inject myself into this, but I hope we may be able to get along here today and do what needs to be done.

I spoke to the gentleman from Minnesota [Mr. H. CARL ANDERSEN], about these proposals days and days ago.

Mr. H. CARL ANDERSEN. That is correct; about 3 weeks back.

Mr. HALLECK. About putting these very items in the bill. I want to be fair about this.

Mr. H. CARL ANDERSEN. May I say that Mr. HALLECK did so and that as a result of his conversation with me $3½ million additional was put in at certain places in the bill for extension, for which I have a great regard.

Mr. HALLECK. Mr. Chairman, I am glad the gentleman said that there was no inclination on anybody's part to take the lid off on spending. The committee kept within the limit of the budget as it was sent down. In doing that, they shifted from certain items over to certain other items which, in their judgment and discretion, seemed to be the wise thing to do. All we are saying here today, as I understand it, is that in 4 or 5 or maybe 6 instances, totaling not to exceed 11 or 12 million dollars, certain of these programs that have been earnestly requested, not only by the administration but by our farm friends all over the country, would be put into the bill. It is true that that would add 10 or 11 or 12 million dollars to a bill calling for $698 million. But I do not believe that that is fiscal irresponsibility. Far be it from me to think anything of that sort. Rather do I think that it is simply a recognition of the situation that should be met here, without rancor, without recrimination, and without any personal feelings, may I say to my friend from Minnesota [Mr. H. CARL ANDERSEN], because I have the same high regard for him that has been expressed by other Members.

Mr. COOLEY. Mr. Chairman, all of us realize that what has happened is rather unusual, and I can appreciate fully what the gentleman from Indiana [Mr. HALLECK] has said. It is rather unusual for the majority leader to find himself differing with a chairman of a committee. But, after all, that is not going to cause this House to lose any respect or love for Mr. H. CARL ANDERSEN, or Mr. WHITTEN, nor is it going to cause this House to go haywire and tear this bill to pieces. I have no desire to do that. But I honestly and sincerely believe that what we did in the matter of increasing funds for research was the correct thing to do. There is one thing I certainly can approve of which Mr. Benson recommended, and which I understand the President included in one of his messages to Congress. The President has gone all out for an expanded research program. It is only natural for all of us in the House to expect the administration to take the position it has taken with reference to these two items. When we increase funds for the Extension Service, we are rendering a service to the ultimate consumers of agricultural products in every district in this Nation. The same is true in the matter of research.

It has been stated here that it has not been spelled out in the Hunter amendment just how the money will be used. It is not spelled out in the bill, it is not spelled out in the report. But everybody knows what this money will be spent for.

(Mr. COOLEY asked and was given permission to proceed for an additional 5 minutes.)

Mr. HALLECK. Mr. Chairman, will the gentleman yield at that point?

Mr. COOLEY. I yield.

Mr. HALLECK. On Monday it was indicated that we would not have too many unanimous requests for extension of time. We have had quite a few. I appreciate the attitude of the gentleman and I appreciate his position on the Committee on Agriculture. Certainly he should have the opportunity to say what he has in mind.

Perhaps somebody will accuse me of pressure now, but I have been accused of so many things that I have gotten used to it, and it does not make any difference. I know that a great many of the Members want to complete this bill today. I had hoped that we could do it, and on tomorrow take up some matters that are not too controversial. A great many people have a great many miles to cover, to start their Easter recess, if they want to get home. I do hope that we may conclude this bill at a reasonable hour this evening.

Mr. COOLEY. I shall try to be very brief.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. I have served here only a little less than 4 years. I have never had the feeling at any time that if I voted on an amendment that would raise the total called for by a bill by $2 million, when that total was some $700 million, that I was offering an affront to any member of a committee that had reported the bill. Certainly in the vote on this amendment, when I voted with 150 other Members of this House, I had no feeling that I was giving any personal affront to anybody who had anything to do with bringing this bill out and I would not so take it.

Mr. COOLEY. I appreciate what the gentleman has said, and I am sure the other Members share his views in that regard.

I should like to say this to the House, Mr. Chairman. Before this matter was brought to the attention of the House, I conferred with Mr. H. CARL ANDERSEN and Mr. WHITTEN and with my own chairman, Mr. HOPE. I wanted to introduce the amendment which was offered by Mr. HUNTER, and I am glad that he has offered his amendment. Actually I did not desire to start a great fight since I felt certain that the bill was in friendly hands but now that the amendment has been adopted I hope that everyone will be pleased with the action taken.

In the last few days I have put in the RECORD, in the hope that some Members of the House might have a chance to read it, information and facts indicating just what we contemplate doing in North Carolina. You cannot say that we do not have a program and are not ready, anxious, and willing to go forward and spend this money properly in the interests of agriculture.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The increases that were made in the last amendment and the purposes for which those funds are used are spelled out in our committee hearings. They were presented to us by the Department. That is true for the increases that will come up as to the State experiment stations and also for the Extension Service.

Mr. COOLEY. I think the House generally understands just what the gentleman has said. This additional money will be used for the same purposes, only it will be a more intensified program.

Mr. LAIRD. These are the figures presented by the Department of Agriculture and justified in the testimony before our committee, so these very same figures have been justified in the committee hearings.

Mr. COOLEY. And they were justified by officials of the Department of Agriculture.

In North Carolina we have a program. We call it Nickles for Know-How. We tax fertilizer 5 cents a ton and we tax grain 5 cents a ton. We raised $140,000 with which to match these Federal funds. We have another program in the eastern part of the State called Pennies for Peanuts. So the farmers themselves are making a contribution far greater than the contribution that is going to be made by the Federal Government to these programs. They are worthy of every dollar we have spent.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. MARSHALL. May I say to the distinguished gentleman from North Carolina, who has served agriculture so well, that I believe there might be a bit of misunderstanding here. The Subcommittee on Agricultural Appropriations is so firmly convinced that the extension work is vital and necessary to this country that I am sure no member of the subcommittee will oppose the amendment to increase it. That is almost inconceivable.

Mr. COOLEY. I am glad to hear that. I compliment the gentleman on his contributions to the cause of agriculture. He has been one of the firm and fast friends of agriculture ever since he has been in Congress.

I was expressing the hope to the gentleman from Mississippi [Mr. WHITTEN] that he would join with the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and accept this extension amendment and get it over with so we can get on with the bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. Do I correctly understand the gentleman to say that he would prefer to have money for research in preference to feeding hungry children?

Mr. COOLEY. The gentleman cannot put words in my mouth. I shall gladly vote to increase funds for the school-lunch program. Certainly my friend from West Virginia must know that I have consistently supported the school-lunch program. In fact, it originated in our Committee on Agriculture.

Mr. TABER. Mr. Chairman, I wonder if we could not get to the point where we could limit debate here. The debate on this has run almost an hour, and I would think that is long enough. I ask unanimous consent that all debate on this amendment do now close.

The CHAIRMAN. The Chair may say to the gentleman that there is no amendment pending.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not believe anybody in this House is opposed to research. I think we are all for any funds which will bring about any improvement in agriculture. We are all in favor of the work of the extension service. I hope that the ceiling has been lifted and that we can now appropriate some more money for many of these programs. I want to say, and I am basing this next statement on the statement made by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], chairman of the subcommittee, and that is about this conference that was held down at the White House. If that conference was held, and if that pressure was put on, which was indicated has been put on here, I want to say that is one of the most flagrant interferences with the legislative by the executive that I have seen during my 5 years in Congress. I am also afraid that if that kind of pressure has been applied, then also there have been some side deals made. We have heard that this administration is for a balanced budget. I am for them balancing the budget 100 percent, but I am not in favor of any deals being made saying, let us give the money to this program here and then to have someone else say, let us take it away from some of these other programs. I think it is a matter of record, which this committee has made here, that this administration has not been friendly to some of the programs that the subcommittee saw fit to include in this bill. I think we might as well face the facts. If this administration is interested in balancing the budget, and if they are interested in keeping within this ceiling, as they indicated they were when they sent down the budget recommendation to this committee, I do not think we are going too far afield when we suggest that there might be some inclination to cut off the funds that will be appropriated for these purposes, such as the school lunch program, forestry, soil conservation, animal disease, pest control, and other programs of that kind which, I feel, are necessary for agriculture. I will go along with you on this bill, raising it as high as you want for agriculture. I want to go on record as saying that I am going to go along and vote for the proposed amendments that will be offered as well as for these other programs which have been cut out by the executive department, and reinstated by the committee. I think the Congress is entitled to work its will. We have tried to work the will of the Congress through our subcommittee. I want somebody here today to give me some assurance—the people who were in on these deals down at the White House—that the Secretary of Agriculture will not try to defy the will of Congress and attempt to reduce those funds which we will appropriate for the school lunch program; and that the funds will not be cut out of the soil conservation work, the forestry work, and animal disease and pest control and things like that. I want to know if the chairman of the subcommittee can give me that assurance.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. H. CARL ANDERSEN. If the gentleman will turn to the top of page 4 of the report, you will find the unanimous agreement of the subcommittee which is as follows:

> The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not agree with impounding of funds where it destroys the intent of Congress as to size and nature of the programs of such agencies as the Soil Conservation Service, the Farmers Home Administration, the Rural Electrification Administration, the Forest Service, and the pest and disease control activities.

I am sure, Mr. JONES, that my entire subcommittee is 100 percent in back of me on that particular statement as a statement of policy.

Mr. JONES of Missouri. Then, as a matter of fact, since the administration, apparently, does not stand with you on some of your other actions, do you think you can make them stand with you on this statement that you have written in there?

Mr. H. CARL ANDERSEN. I cannot make the executive department do anything.

Mr. JONES of Missouri. I know that you cannot, Mr. ANDERSEN, and that is why I make this statement here today, and I think the majority of the people, including myself, who are for the research and other things, are just as strong for your school-lunch program and these other programs. We want to see that that money is spent and not retained in order to bring about a balanced budget, since it is apparent that the administration has abandoned its plan to have a balanced budget, and has through its spokesman on the floor of the House given notice that it is not necessary for the Committee on Appropriations to observe any budget limitations in making appropriations for research, the extension service and apparently other programs of the Department of Agriculture. Today the House will give not only its approval, but its direction to the spending of certain funds and when this bill is finally passed we will see to what extent the executive respects the wishes of the legislative branch of the Government.

(Mr. JONES of Missouri asked and was given permission to revise and extend his remarks.)

Mr. MOSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Moss: On page 3, line 10, strike out "$17,461,380" and insert "$17,496,580."

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Does this amendment come too late?

The CHAIRMAN. This amendment is in the paragraph which has been read.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Was an amendment adopted to this figure?

The CHAIRMAN. There was no amendment pending prior to the one just offered.

Mr. H. CARL ANDERSEN. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Page 3, line 10, strike out the sum and insert "$17,496,580."

The CHAIRMAN. The gentleman from California [Mr. Moss] is recognized in support of his amendment.

Mr. MOSS. Mr. Chairman, the purpose of this amendment is to restore to the original amount recommended by the Department the funds for eradication of Hall's scale. In offering the amendment I want to assure the chairman of the subcommittee that it is not critically offered. Hall's scale disease, which attacks fruit trees, is present in only two counties in the United States at the present time, the counties of Yolo and Butte, in California. However, this is a disease which could thrive climatically in any area of the United States.

I know the chairman of the subcommittee will contend that my State has been placed on notice that the program of Federal assistance for the eradication of this disease would be discontinued. We find in our efforts to control that the terminal period, the cut-off date, does not guarantee us that we will successfully combat this disease.

In California we are on the verge of controlling Hall's scale. In the past we have resorted to sandblasting of trees. We have tried every possible method of control. We feel that if the program is continued at the present level, the level requested by my State, that we will successfully solve the problem of adequate control.

I would like to point out that there is Federal responsibility in connection with the outbreak of Hall's scale in the counties in my district. It first appeared in a United States plant induction station in Chico, Calif.; the introduction by the Federal Government of new varieties in California resulted in the first spread of this scale. It has affected adversely a number of trees in the orchards in my district and the district of my neighbor in California, Mr. ENGLE. The amount is $35,200. My State is providing its share of the funds to continue this program. While I realize it is not a momentous problem for this House, I feel that I have the responsibility to bring to your attention the facts in connection with this disease and the problems in controlling it, and point out to you the Federal responsibility involved and ask your support of the amendment, in order that the program may continue at an adequate level.

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment. I think the Committee is entitled to some explanation.

I would like to call attention to something which the Committee perhaps does not know, but under the very able leadership of our colleague from Mississippi [Mr. WHITTEN], we investigated the Forest Service some 3 years ago. In that investigation we found that this was a program that should be terminated, and we so stated in our report.

It has been our intention to see that this program is terminated, but we feel that the subcommittee does have some responsibility to the Committee of the Whole in this matter. That is the reason for the committee's action on this item. I might say further that the amounts that the State of California has been providing are not large enough to be called matching funds. We are very sympathetic to the eradication of this scale, and I believe the committee's action does make sense in this connection.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. MOSS. Does the gentleman grant that the original outbreak of this disease did occur at the Federal plant inspection station in California?

Mr. HORAN. That is correct and that was a rather persuading reason when we wrote in funds for it.

Mr. MOSS. The problem still continues in my State and we are still required under State law to spend the taxpayers' funds to take care of this problem originally introduced at the Federal station.

Mr. HORAN. A very small amount by the State of California that is true, but we feel that the committee had some responsibility in this item since we provided 3 years ago that this infestation should be cleaned up. They are making headway on it and it should be cleaned up soon. We have allowed the funds for the cleanup operation.

Mr. MOSS. If the gentleman will yield further, the cleanup operation has not been successful as yet. The problem is still as great as it was when it was originally brought before this House.

Mr. HORAN. It has not been completed; that is the reason we have allowed these funds.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

The Clerk read as follows:

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products; $14,190,000.

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments to the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following acts relating to agricultural experiment stations:

Hatch Act, the act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams Act, the act approved March 16, 1906 (7 U. S. C. 369), $720,000; Purnell Act, the act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382), $2,880,000; Bankhead-Jones Act, title I of the act approved June 29, 1935 (7 U. S. C. 427–427g), sections 3 and 5, $2,863,708, and sections 9 and 11 of said act as added by the act of August 14, 1946 (7 U. S. C. 427h, 427j), including administration by the Office of Experiment Stations in the United States Department of Agriculture, $7,500,000, no part of which latter amount shall be used for beginning construction of any building costing in excess of $15,000; Hawaii, the act approved May 16, 1928 (7 U. S. C. 386–386b), extending the benefits of certain acts of Congress to the Territory of Hawaii, $90,000; Alaska, the act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch Act to the Territory of Alaska, $15,000, and the provisions of section 2 of the act approved June 20, 1936, as amended (7 U. S. C. 369a), extending the benefits of the Adams and Purnell Acts to the Territory of Alaska, $75,000; Puerto Rico, the act approved March 4, 1931, as amended (7 U. S. C. 386d–386f), extending the benefits of certain acts of Congress to Puerto Rico, $90,000; section 204 (b) of the Agricultural Marketing Act, the act approved August 14, 1946 (7 U. S. C. 1623), $500,000; in all payments to States, Hawaii, Alaska, and Puerto Rico, $15,453,708.

Mr. H. CARL ANDERSEN (interrupting the reading). Mr. Chairman, I ask unanimous consent to withdraw my earlier request that the entire bill be read in detail.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk continued reading the bill.

Mr. CEDERBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CEDERBERG:

On page 4, line 24, strike out "$7,500,000" and insert in lieu thereof "$11,500,000."

On page 5, line 16, strike out "$15,435,708" and insert in lieu thereof "$19,453,708."

Mr. CEDERBERG. Mr. Chairman, I wish to explain this amendment.

Mr. Chairman, I want to join with others who have preceded me in commending the committee for its fine work on this agriculture appropriation bill.

I fully realize the difficulty in appropriating funds to carry on the work of agriculture, because of its many intricate problems.

I offer this amendment to raise the amount provided in the bill for payments to States to carry on the work of experiment stations by $4 million, because I feel it is in the best interest not only of the farmer himself, but the consumer as well. It is my firm belief that this additional sum will make this appropriation bill even better than it is at the present time.

I am sure all Members of the House are interested in a logical expansion of the research program in agriculture. Further, as stated many times, the real hope for the long-range solution of the problems of agriculture lies in adequate research. The fruits of research of today are often not apparent for a year or

years. But no one can deny that past research in this field, as well as in others, has a direct effect upon our standard of living today.

This proposal to increase the appropriation is in line with the President's program to expand research and extension services in agriculture. We all talk a good deal about our interest in research, but very often we fail to take action, and here is an opportunity to take the necessary steps to provide an expanding and continuing research program at our State experiment stations.

I might say that it is a well-known fact that research in the field of agriculture lags behind that in most other fields, and this increase in appropriation will be a step in the right direction to correct this great difference.

This is a program which the Federal Government carries on in cooperation with the States, and the information gained at one State experiment station is available to all the other States. The money that has been appropriated in the past for this field has provided outstanding results. I might also state that the States put up three or four dollars to every one the Federal Government appropriates.

I appreciate that the committee has agreed to accept this amendment, and I am confident that the use of these funds will make possible expansion in the research program, which is so essential in helping to solve our agriculture problems. We should also not lose sight of the fact that this research has a direct effect upon the consumer in providing him with not only better products, but greater efficiency in their production, which ultimately reduces their cost to the consumer.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. MARSHALL. I believe there is no objection to the gentleman's amendment on this side.

Mr. CEDERBERG. I think there ought to be some very brief remarks regarding this amendment.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. HORAN. It is the attitude on this side of the subcommittee, at least, that we are in agreement on this amendment.

Mr. CEDERBERG. Then let us save time and vote it up.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CEDERBERG].

The amendment was agreed to.

(Mr. MAHON asked and was given permission to extend his remarks at this point.)

Mr. MAHON. Mr. Chairman, I move to strike out the last word and revise and extend my remarks at this point in the RECORD.

For purposes of clarification I would like to have the following statement appear in the proceedings for today. It is regrettable that in the debate today some controversy has arisen among friends of agriculture. In speaking in the House last Monday, I made the following statement:

Mr. H. CARL ANDERSEN and Mr. WHITTEN and those who serve with them on the subcommittee have served the interests of American agriculture through the years with unswerving loyalty and, I might say, with great skill and effectiveness.

When this bill which provides for the annual appropriation for the Department of Agriculture was before the Committee on Appropriations for final action last Friday, April 9, I arose in the committee and expressed general approval of the bill but stated that I felt the full budget estimate for research and for extension should have been included and that I would probably offer an amendment in the House of Representatives to restore the budget figures.

Several weeks ago I stated publicly that I felt the bill should include the full budget estimate for these purposes, and I so informed some of my friends in Texas and elsewhere. I had drawn an amendment and was prepared to offer it to the bill today but, by reason of a previous understanding, the amendment was offered by the able gentleman from Michigan [Mr. CEDERBERG]. I am pleased that the amendment is being adopted and that the additional funds are being provided. I think it would be difficult to exaggerate the importance of agricultural research, and I believe the action taken here today will be in the best interests of American agriculture.

I feel that I must say again that I have the deepest appreciation and respect for the subcommittee headed by the able gentleman from Minnesota [Mr. H. CARL ANDERSEN]. I am sorry about the misunderstandings which have arisen. I wish a way could have been found to avoid them because the subcommittee should be praised for its work and should in no way be subjected to censure.

The Clerk read as follows:

Foot-and-mouth and other contagious diseases of animals and poultry

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials contaminated by or exposed to, any such disease, when there has been compliance with all lawful quarantine regulations, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the act of February 28, 1947, and the act of May 29, 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including expenses in accordance with section 2 of said act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed $2,650,000 for eradication of vesicular exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That, except for payments made pursuant to said act of February 28, 1947, the payment for animals may be made on appraisement based on the meat, egg-production, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service."

Research: For expenses necessary for research authorized by the act of April 24, 1948 (21 U. S. C. 113a), $1,800,000.

EXTENSION SERVICE

Payments to States, Hawaii, Alaska, and Puerto Rico

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the act of June 26, 1953 (Public Law 83), $34,597,279; under section 5, Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and payments and contracts for such work under section 204 (b)–205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623–1624), $925,000; in all, $35,610,279: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Mr. COTTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COTTON: On page 7, line 10, strike out "$34,597,279" and insert in lieu thereof "$38,662,000"; and on page 11, line 14, strike out the sum and insert in lieu thereof "$39,675."

(Mr. COTTON asked and was given permission to revise and extend his remarks.)

Mr. COTTON. Mr. Chairman, I want the Members of this House to clearly understand exactly what my amendment does. It restores to the bill the amount of $4,064,721 for payments to the States for the Extension Service, which brings the amount in the bill up to the original amount recommended by the President and by the Bureau of the Budget.

May I say that in my opinion this amendment goes to the heart of our agricultural service. The Extension Service with its county agents, its home demonstrators, and its 4–H Club leaders is the keystone of the arch in our agricultural structure, Federal, State, and local.

It is the Extension Service that brings to the farmer the results of all the research and experiments, both public and private, and teaches him to avail himself of all the aid that this great Nation has rendered to agriculture throughout the years. The so-called action programs including direct payments and subsidies have been in many cases desirable and necessary, but in the long run they cause agriculture to lean upon them for support and like the constant use of crutches tend to weaken and paralyze. The Extension Service on the other hand stimulates free enterprise, gives to the farmer the tools to work with, and helps him to help himself by bringing to his door the best expert assistance and ad-

vice that research and development has produced.

Finally, the Extension Service is and always has been based on the theory of cooperation and every dollar we appropriate for its support is matched and, in some cases, more than matched by local contributions.

I recall with pride that the first speech I ever made in this House 8 years ago was in support of an appropriation for the Extension Service, and with all respect and admiration for the subcommittee handling this bill, I believe this is one part which should not be cut.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from North Carolina.

Mr. COOLEY. The amendment the gentleman has offered is in keeping with the recommendations of the present Secretary of Agriculture and the present administration in power through the budget; is that true?

Mr. COTTON. It is the exact amount recommended by the President, by the Bureau of the Budget, and by the Secretary of Agriculture for this purpose.

The cooperative Extension Service since its authorization in 1914 has been a joint venture sponsored by the Federal and State governments. Throughout the 40-year history of this cooperative relationship, there has been a general understanding that the principle of sharing costs by the Federal Government and the States would be on an equal basis. In 1946 the Congress appropriated $22½ million which represented 50 percent of the total available to the States for carrying on extension work. As evidence of what is happening, during the current fiscal year the funds made available from Federal appropriations amounted to $32.2 million. The other partner in this enterprise provided $57.4 million. Therefore, instead of operating on a basis of sharing costs 50/50, the Federal Government is contributing only 36 percent of funds now available for carrying on the work. Since 1940 costs of operation have risen substantially. While additional Federal funds have been made available to the States for the conduct of extension work, the increase has nowhere kept pace with the increase in the cost of operation or the salary adjustments required to maintain a competent staff of extension workers.

In terms of the purchasing power of the extension dollar, the appropriation of $32,150,000 in 1954 would buy one-sixth less extension work than the appropriation of $18,500,000 in 1940.

The Federal Government has a vital interest in the work of the cooperative extension service because that work contributes greatly to the welfare of agriculture and to the carrying out of the Federal agricultural programs and policies as established by this Congress. Since this is a cooperative effort between the Federal and State governments, it is just and fair that the Federal partner contribute its share to this educational effort.

Throughout the years the cooperative relationships between the Federal Government and the States, through their land grant colleges, have continued to grow in favor with the people and in efficiency. Agriculture in America is the foundation and cornerstone of free enterprise and democracy found no other place in the world. This is due largely to the fact that all farm people have access to the results of agricultural research through the Extension Service. We have a responsibility to see that the foundation of democracy—agriculture—continues to remain solid.

Farmers acceptance of the land grant college system and the Extension Service has continued to grow over the years. As more information has become available and farming more complicated, demands on the part of farmers for assistance from county extension agents has grown far beyond the present capacity of extension workers to provide. The 8-hour day, 40-hour week, and overtime pay are not in the vocabulary of the extension worker. These men and women serving in their respective counties are in a true sense agricultural missionaries or they would not make the personal sacrifices they are making in order to serve the rural people with whom they work.

The bulk of the funds included in the President's budget for the Extension Service is for payments to the States for work out in the counties. This proposed increase in payments to the Extension Service is to be allocated to the States on the basis of formulae established by Congress. The amount each State receives is determined by the ratio farm and rural population of each State bear to the total farm and rural population in the United States.

The business of farming is vastly different from what it was 20 or even 10 years ago. Drastic changes have occurred in production practices, capital requirements, costs and risks, farm business management, and farm family living.

Farmers today face more opportunities to increase their productive efficiency, and more problems in doing so, than ever before.

Along with the opportunities they bring to farmers, advances in agricultural technology present very difficult problems and choices to be made. Farmers make changes in their production plans, use new equipment, and adopt improved methods in the hope of increasing their productive efficiency and their incomes. These changes nearly always entail more cost, investment, and risk. To pay the higher costs and make the additional investments, farmers and their families are usually obliged to forego—for the time being at least—things they want and need.

Farm families must assume much larger financial risks than just a few years ago. Their investment in real estate was nearly 3 times as great in 1953 as in 1940. Their machinery and equipment capital was 4½ times as much, measured in dollars—or 2½ times in physical volume. Not only have farmers increased their investments to attain efficiency but market requirements for milk, fruits, and other products have also entailed additional capital outlays. Providing capital for their own business organizations, cooperative and other, has also required increased investments. Handling these outlays and protecting against these risks require many vital choices. These choices require complex analysis, based on wider and more precise knowledge than ever before.

In considering all these problems farm people find themselves continually confronted with vital and difficult decisions. To make a wise choice at each turn of his road a farmer needs more and more information. Each new decision calls for a wider range of knowledge and a higher degree of skill in using this knowledge to make sound decisions in spite of the uncertainties of the future in a constantly changing agricultural economy.

A strengthened extension educational service is necessary if sound adjustments in American agriculture are to be made at each step of the way—if new agricultural technology is to be fully used and soundly integrated into the agricultural economy—and if farm people are to be able to do their part as citizens, and as parents of future citizens.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Wisconsin.

Mr. LAIRD. The gentleman from New Hampshire is absolutely correct. This is the Administration's budget request.

The present generation of 20 million children and youth growing up on farms and in rural areas need knowledge, skills, and attitudes based on the very latest and best technology that science has to offer if they are to achieve success in the atomic age ahead of us. Our farms, our homes, and the food and fiber processing and distribution industry must not be allowed to sag from their high plane of efficiency because our youth are not prepared for future responsibility.

OUR FARMS POPULATE THE CITIES

Our Nation's bread basket is also our Nation's nursery. Rural areas have long been the rearing and training ground for happy, useful citizens and leaders. By necessity, half of the children born on farms must migrate to urban areas. Our cities are fortunate to have these additional young people with high ideals, wholesome attitudes and industrious work habits.

FIFTY YEARS OF PROGRESS

The 4-H Clubs, sponsored by the Cooperative Extension Service of the State land-grant colleges and the United States Department of Agriculture for nearly 50 years, have been building better trained youth and helping them to become better citizens. 4-H Clubs are located in every rural county of the United States.

MORE NEED 4-H HELP

For the last 5 years, the participation in 4-H Club work has been about 2 million. In 1953, the membership was 2,058,144. In spite of the fact that there is an avalanche of children now coming to the age of 10 years when they are eligible to join these local, community 4-H Clubs, the Extension Service is hampered in its efforts to serve them.

Only 1 out of 5 farm families now enjoy the advantages of 4–H Club work. An average county Extension agent carries a load of 600 4–H members per year of time given to 4–H Club work.

AGENTS MULTIPLY THEIR EFFORTS

These Extension agents are making efficient use of their time. On the average, each multiplies his own efforts 90-fold by training local volunteer leaders who actually serve as the advisers and teachers for the local clubs. This is already an overload for the present Extension staff. But there is a still bigger job to do.

This year, more than 2 million rural boys and girls will become 10 years of age. Only half of them can have a 4–H Club experience because there are not enough county extension agents to train the leaders and conduct the demonstrations and organize the work.

HANDS ACROSS THE SEA

The 4–H Clubs give training to boys and girls in agriculture, homemaking, good citizenship, leadership, and community service. For the last 6 years, they have also been active with a very important program for world understanding called the International Farm Youth Exchange. Over 500 4–H youths have lived and worked and shared experiences for 4 to 6 months on farms and in homes in 38 countries all over the world. In return, young people from other countries visited farms in the United States as guests of our 4–H members. Not 1 cent of tax money goes into expenses of these grassroots ambassadors. The 4–H'ers raise the money from themselves or farm organizations or private friends of 4–H work. The county and State extension workers help organize the program but volunteers do the rest.

Over 50 countries now have youth programs patterned after 4–H Clubs. The 4–H Club emblem, a green four-leaf clover, with an "H" on each leaf that stands for fourfold development of head, heart, hands, and health, can now be seen almost anyplace in the free world. If its principles and benefits could be practiced everywhere, the whole world could be improved.

OLDER YOUTH NEED HELP TOO

The Extension Service also helps older youth who are beyond 4-H Club experiences. Ten million young men and women need help in establishing new homes, getting started in farming, serving in their communities, and making adjustments to changing needs and times. Work with these young people should also include more assistance in marketing, farm and home planning, and understanding of public affairs. The Extension Service has been asked to move forward, in cooperation with farm organizations and other rural groups, in providing increased help. Here, again, additional workers are needed if this educational program is to serve the growing needs of more young men and women.

4–H ALUMNI

There are 18 million 4–H alumni for whom a good start in their growing years was vitally important. They acquired an attitude of first looking at research findings before they made important decisions. They applied factual information as they "learned by doing." Through this they developed confidence in the strength and status of agriculture and rural life in America. These 18 million citizens are better taxpayers. They are better prepared for a happy, useful life as a bulwark of strength in our democracy. These alumni are joining others in asking that the new and bigger crop of young rural citizens may have the advantages of 4–H and other extension work.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I do not know of anybody on this side of the aisle that is opposed to the gentleman's amendment.

Mr. BRAY. Mr. Chairman, I rise to support the amendment increasing the appropriation for the Extension Service which is offered by the gentleman from New Hampshire [Mr. COTTON].

The amendment for this increase introduced by Mr. COTTON only proposes to raise the appropriations to the same amount which was recommended by the Bureau of the Budget. The Secretary of Agriculture, the American Farm Bureau, and the Grange favor this increased amount. I feel very deeply that this additional amount is needed and I appeared before the Appropriations Subcommittee asking that the entire amount as recommended by the Bureau of the Budget be approved by the committee.

I have observed the development of the Extension Service for many years. I have observed the attitude of the people from my community regarding the Extension Service grow from one of doubt to an attitude of enthusiastic support. I have never heard this Department accused of extravagance or inefficiency. I am familiar with the job that they are doing, and I want to say that I am proud of that job. They need this extra money and will make effective use of it. Their work has been so effective and beneficial in my district, that I know of nothing but praise for the work that they are doing. They have been of great assistance to the farmers and the housewives in every county in my district. In my opinion, however, the work that the Extension Service is doing for the youth is of even greater importance. It is seldom that I ever have supported an amendment to raise an appropriation to a greater amount than which is recommended by the Appropriations Committee, for I am a strong advocate of economy in Government; but in this case I am convinced that it is of utmost importance that this appropriation be raised, as suggested by the amendment, so that the Extension Service may function properly.

(Mr. BRAY asked and was given permission to revise and extend his remarks.)

(Messrs. ALBERT, HOPE, HOEVEN, and COOLEY asked and were given permission to extend their remarks at this point in the RECORD.)

Mr. ALBERT. Mr. Chairman, I rise in support of the amendment. There is no item in this bill more important than the item dealing with education.

I want to commend the Committee on Appropriations, particularly this subcommittee for increasing the funds for the so-called action programs. I am sorry that the committee found it necessary to do this at the expense of funds for research and education. Real friends of agriculture are not going to consider the action and education programs competitive with each other, and every member of the subcommittee reporting this bill is a real friend of agriculture. What is needed is an overall increase in the budget to supply the funds recommended by the Committee for the action programs and also to provide the money requested by the Secretary for research and education.

I supported the amendment to add research funds. I think the present amendment is even more important. Education lags behind all other phases of agriculture. We need research, but we are far behind our knowledge now. The one great need, which is being supplied too slowly, is better avenues through which the things already known can be directed to the operating farms of this country. Our great land-grant colleges, our experimental stations and laboratories, both public and private, our State and Federal Departments of Agriculture have vast quantities of knowledge which ought to be channeled more effectively to our farmers. Our extension service should be vastly expanded. We are not going forward fast enough. We are hobbling ourselves by being unwilling to look beyond our past experiences and practices.

Yes, Mr. Chairman, education and action programs are both essential. Both should be speeded up. The one way to lessen the necessity for action programs in the future is to speed up education now. This is an important amendment. I hope it receives overwhelming support from both sides of the aisle.

Mr. HOPE. Mr. Chairman, I am heartily in favor of the amendment offered by the gentleman from New Hampshire [Mr. COTTON], and hope that it will be adopted unanimously. Last year Congress expressed its interest in the expansion of the Extension Service by passing the act which consolidated all of the various acts authorizing the Extension Service and which also removed any limitations on the amount of funds which might be appropriated.

For a number of years past appropriations for extension work, as far as the Federal Government is concerned, have been considerably below the amount that could be used effectively. In fact, considering the increased costs for carrying on the work, the appropriations have made it impossible to increase the personnel to anything like the extent needed.

I have always felt that the Extension Service as carried on in this country through Federal, State, and local cooperation was one of the most important educational activities of our time. The increase provided by this amendment, together with the increased amount already contained in the bill, will make it

possible to further extend 4-H Club activities and to make available to farm men and women everywhere the important information that is being developed through agricultural research.

I am happy to say that in Kansas our Extension Service, under the direction of Louis Williams and his associates, is doing splendid work. The States and local communities have been very generous in providing their share of the funds; in fact, they have provided far more than required under the matching provisions of the law. With the additional sums that will be made available under this bill I am sure that we will have a splendid increase in extension activities in Kansas during the next fiscal year.

I urge the adoption of the amendment.

Mr. HOEVEN. Mr. Chairman, I rise in support of the amendment by the gentleman from New Hampshire. There is no finer work being carried on anywhere in the country today than that which is being done through the Agricultural Extension Service. The education of our farm population in problems relating to the farm and farm living is highly desirable and absolutely essential. We must make farm life attractive to the farm youth of America if we are going to keep our boys and girls on the farm. The rapid decrease in farm population presents a real problem. Why should we be niggardly in providing adequate funds for an agency in government which is directly responsible for making farm life more interesting and attractive? I need not tell you that Iowa is the leading agricultural State of the Union. We are a strictly rural State with practically all of our land under cultivation. We have 99 counties so imagine my amazement when I recently discovered that 30 out of the 99 counties of Iowa are without home demonstration agents. These are the people who carry on the extension work with the farm women of our great State. Each of the 99 counties of Iowa is entitled to have a home demonstration agent, and the reason that 30 counties today are without home demonstration agents is simply because the Congress has not appropriated enough money to make this possible. Furthermore, I was amazed to find that 70 out of the 99 counties of Iowa are without youth assistants under the Extension Service. That means that only 29 out of the 99 counties of Iowa have youth assistant 4-H Club leaders. Can you think of anything more important than the work which the 4-H Clubs are doing for the farm boys and girls of America? I want every county in Iowa to have a home demonstration agent. I also want every county in Iowa to have a youth assistant for 4-H Club work. It cannot be done without adequate appropriations and lack of funds is the reason why we have these vacancies. If you really believe in the work of the Extension Service in all of its phases, including the work being done for the 4-H Clubs, you will vote for this amendment.

I am glad that the Hunter amendment was adopted. The State of Iowa is vitally interested in agricultural research. Our entire economy depends upon the welfare of the farmer and of agriculture. Most of Iowa land is under cultivation. We produce corn, oats, barley, soybeans, flax, and hay, among other crops. We also lead in the field of hogs, cattle, poultry, and sheep. Iowa is also one of the leading dairy States. The future of Iowa agriculture depends largely upon agricultural research. We must find new byproducts for corn and other grains and must improve our methods of raising livestock. Only research can give us the answer to such problems.

I have consistently supported adequate appropriations for agricultural research and believe the expenditure of such money to be a sound investment. If the benefits of research do not inure to us directly they certainly will inure to the coming generations of American farmers. Specifically we need more research in combatting the corn borer, a pest which does immeasurable damage to our corn crop. We are developing new oat varieties at Iowa State College, and it is essential that this splendid work continue at its maximum. The swine-feeding experiments are highly important, in that Iowa is the leading hog-producing State of the country. The question of commercial fertilizer has also come to the fore in Iowa during recent years. We want to know where fertilizer should be used, the kind to be used, and how much should be used. We want to know whether it is best to spread the fertilizer on the land or to place it in the furrows between the corn rows. Much remains to be done in this field, and only research can give us the needed answers. The question of grain driers and corn driers is important to the farmers of Iowa. We must find the best method of drying our grain and corn at the least possible expense. The methods now employed in drying corn are too expensive and cumbersome. Research into the further use of corn stocks opens a wide field of exploration. Many of the byproducts of corn are already being utilized, but much more can and must be done.

Research may well contribute to reducing our agricultural surplus problem. Certainly when new uses are found for these products the surplus problem will diminish in proportion. Continued and expanded research in the field of Iowa agriculture will mean millions of dollars to the farm economy of Iowa and the Nation's agriculture in general. Proper research always takes money, and lots of it. In my judgment, it is a false economy to deny all the funds that are needed to carry on the splendid work in agricultural research which has been going on throughout the years. The Hunter amendment now adopted gives us the amount of money for research recommended by the budget and requested by the administration.

[Mr. COOLEY addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. COTTON].

The amendment was agreed to.

The Clerk read as follows:

Federal Extension Service

Administration and coordination: For administration of the Smith-Lever Act, as amended by the act of June 26, 1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 568–568a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,381,235.

Penalty mail: For costs of penalty mail for cooperative extension agents, $1,885,000.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD:

On page 8, line 3, strike out "$1,381,235" and insert in lieu thereof "$1,925,000."

Page 8, line 5, strike out "$1,885,000." and insert in lieu thereof "$2,000,000."

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, the Federal Extension Service, as the educational arm of the Department of Agriculture, works with all Department agencies on the one hand and with the State extension services on the other. It provides an essential connecting link for bringing to farmers research results from the Department and other States, information and interpretation of nationwide problems and policies for agriculture, and information on how the action programs of the Department can best serve them. Strong national leadership and effective counsel and assistance for the State extension services is a prerequisite to a really effective, efficient, coordinated educational program.

Much research, both that done in the Department and in the States, has application regionwide or countrywide. Many marketing problems, so important today, are interstate problems. Education can do much to improve marketing efficiency and step up consumption. But a State-by-State approach is not the sole answer. A strengthened Federal extension staff working with the States is required.

Federal payments to the State extension services are being increased. In the national interest, to make this most effective, the Federal Extension Service should be strengthened to enable it to provide effective leadership and coordination. A strengthened Federal Extension Service is strongly urged by the States. They seek additional assistance and guidance in training, program development, teaching methods, administration, and in the redirection of the extension effort to an effective on-farm advisory service.

Farm problems, national in scope, have increased greatly in recent years, such as marketing, production adjustments, and the cost-price squeeze. There are real opportunities for putting into use by industry new and improved farm products.

The Federal Extension staff which must spearhead an effective extension program is smaller now than in 1946. Only about 1.5 percent of the total resources of the Cooperative Extension Service, Federal, State, and local currently go to support the Federal Service. The proposed increase would, first, pro-

vide more effective liaison between the Federal Extension Service and the States to achieve policy and program coordination; second, provide more assistance to States in program evaluation, improvement in administration, and in-service training; third, keep the States more currently and adequately informed on new research and program facts and get these integrated effectively into State programs; and fourth, greatly strengthen work with the States and with the farm processing and distribution industries in improving marketing, reducing costs and wastes, and putting new facts on farm-product utilization to wider use.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I would like to say to the gentleman that there is no objection to the item on this side of the aisle.

Mr. FORD. I appreciate the remarks of the gentleman from Minnesota. I hope there will be no objection from the other side of the Chamber to this amendment. This amendment seeks to restore the funds requested in the President's budget for the Federal Extension Service.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. Will the gentleman state those totals again?

Mr. FORD. The first part of the amendment is on page 8, line 3. The amount would be $1,925,000 instead of $1,381,235, the difference being $544,765. The second figure is an increase of $115,000 over the figure contained in the bill. This is for penalty mail, which, under legislation we recently approved, must be charged to each individual executive department.

Mr. COLE of Missouri. I thank the gentleman.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York.

Mr. TABER. I wonder on what basis the increase for the penalty mail is proposed. I thought the figure was about right.

Mr. FORD. I am using precisely, I will say to the gentleman from New York, the budget recommendation that was originally submitted. I hold no particular brief for the $115,000, and I would be very glad to waive that part of the amendment provided the other part would be accepted by the committee.

Mr. TABER. I should have to ask for a separate vote on that.

Mr. FORD. Mr. Chairman, I ask unanimous consent to withdraw the request for the $115,000 on penalty mail. If there is no objection, I will so do.

Mr. H. CARL ANDERSEN. I think that would be the wise thing to do.

The CHAIRMAN. The Chair understands there is a unanimous-consent request before the Committee.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent that the portion of the amendment relative to penalty mail be eliminated and that the remainder of the amendment be before the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The amendment was agreed to.

The Clerk read as follows:

Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the act approved May 22, 1928, as amended (16 U. S. C. 581 581a–581c, 581f–581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; $6,170,564: *Provided*, That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.

Mr. HILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILL: Page 13, line 11, strike out "$6,170,564" and insert "$6,528,500."

Mr. HILL. Mr. Chairman, this amendment restores the original fund recommended by the Bureau of the Budget. The actual cut made by the Agriculture Subcommittee of the Committee on Appropriations is $357,936 below the estimate of the Bureau of the Budget for the Forest Research Program.

If the House restores this fund it would mean in round numbers $212,000 for forest insect research; $96,000 for forest genetics research; and $50,000 for forest fire research, making a total of nearly $358,000 for this important forest research work.

Because of the fundamental importance to a sound forestry and related watershed management program, I am convinced that we should recognize the full significance of the importance of a stronger and more expanded forest research program. Every Member of this House who is interested in protecting and developing a watershed program should be interested in assisting in the restoring of this fund.

While we appreciate the fine work that is always done by this very important subcommittee of the Committee on Appropriations, and we know the complications of bringing to this House a well-rounded appropriation bill, some programs reduced and others increased present a real difficult problem. Usually I have agreed with the conclusions of the committee. In this particular case I am fearful that it would be shortsighted and certainly uneconomical for this House not to provide at least the sum suggested by the Bureau of the Budget for forest research.

The wise use of this country's forest and related watershed areas means not only our fine system of national forests will be protected and cultivated, but the entire country's watershed and water development program would be affected by curtailing funds necessary to continue this work.

Any cuts that would apply to the lessening of needed research on forest genetics to develop faster growing timber of high quality yield and also resistant to insect and disease certainly would not be economical.

The extension and promotion of scienitfic methods for controlling forest fires is money saved. We spend more than $70 million annually in action programs to combat such fires. If we restore this fund we will be spending more for prevention than for combating the fires after they have been started.

On insect and pest control, I have some firsthand information. I know what a small appropriation did for the forests of Colorado. This Subcommittee on Appropriations provided funds for the forests in the mountains of Colorado to save our forest from destruction by the spruce bark beetle. It was money well spent—an excellent program.

Personally I fail to understand in view of the forest insect problems that face us why we should in any manner curtail the funds requested by the Department for this most important activity.

The research entomologists working in my section of the forest area have not only saved the forests, but protected the watersheds, not only for irrigation and city use but from floods and terrific erosion.

If we are to save the remainder of our great timber areas, no delay should be permitted in our research program.

Following World War II members of this committee and the House provided funds for the Forest Service to initiate work on experimental forests and field research centers. Every Member is familiar with the work that has been accomplished in these two categories. Remarkable discoveries are being made at the research centers and this information or modern science development is being tested in the forest areas and certainly indicates the value of proper forest management and related watershed for the protection of the mountainsides, the developing of extra water, and the protection and erosion of the land.

The research program points the direction toward new ways and new ideas to solve our forestry difficulties, and to make our forestry programs more profitable and effective.

This is not an increase in the Budget Bureau's figures, but only a restoration.

An estimate has been provided for me which indiactes that if you allow this reduction to prevail insect reesarch would be reduced $212,000 below the estimate, and the loss from the lessening of the forest insect work would be staggering.

It is estimated that the insects alone are destroying 7½ billion board feet of timber on public and private lands annually. This is more timber than is annually cut in the national forests, so you can see the extent of the damage that would be done if we permit this cut to prevail. An estimate of the annual

timber value lost annually by insects exceeds $75 million and when you add to this the loss in wages and the products that could be manufactured by this timber, the real loss is many times greater.

We have no surplus of timber. We really have a deficit. We need more trees. We need more forest control to prevent erosion and alleviate flood conditions, and as our population increases we need more forest products for domestic uses.

There is a tremendous job to do in research and experimental work on our forest lands if we are to save our forest areas. It would be a tragic mistake to allow this cut of $212,000 below the estimate necessary to protect and control the insects now ravaging our forests.

Two years ago I visited personally the genetic research plant at Placerville, Calif., and know firsthand what this great research center is doing. Unless you have seen firsthand some of the remarkable results of hybrid tree breeding you cannot possibly be conscious of the effect of this program.

If you understand what hybrid seed corn has done for the production of corn in the commercial corn areas—how it has increased or doubled the production per bushel per acre of corn, you will have a faint idea of what you can do in forest tree breeding. The research center at Placerville gave us an illustration of how you can restock and revive an entire forest of ponderosa pine in 30 to 35 years where under natural conditions not using hybrid trees, it would take upward of 65 years. And the demonstration seemed to indicate that the lumber is actually better, the trees are insect-proof, and their growth is absolutely phenomenal.

In the trees we saw we discovered they were using a hybrid ponderosa pine that it was resistant to the white pine blister rust—a wonderful development.

Let us not be a party to lessening the funds that would retard, in my opinion, our whole forest program. We need to cultivate and develop these extra forest areas if we are to provide water for the generations to come, and regardless of the cost we should not lessen our efforts in this direction.

In the forest-fire research under the reduced appropriation, $50,000 less would be available to keep this program marching forward.

If we spend $70 million a year protecting our forests against fire why should we lessen the amount we spend for research which would prevent the fires from happening?

The Forest Service is spending annually about $133,000 on forest-fire research, but if this cut prevails this program would be reduced appreciably. Surely as a matter of common sense we should not lend our support to the curtailing of this appropriation.

In closing let me add that when you curtail the Forest Service program as indicated you will lose some of your most highly regarded Forest Service personnel and experienced men. I doubt if there is any bureau in the Federal Government that has more need for highly trained, experienced personnel than in the Forest Service. You just cannot send inexperienced men unacquainted with the forest terrain deep into the wooded areas to carry out programs. Certainly if we curtail this appropriation to the tune of $358,000, the loss of trained personnel will be terrific, uneconomical, and in place of saving money be of tremendous cost to the taxpayers of this country.

I beseech you to consider this matter carefully and vote your conscience which I am sure will mean you will place back into this appropriation bill the Bureau of the Budget recommendation and give the full $6,528,500 to this important branch of our Agriculture Department.

Thank you.

Mr. H. CARL ANDERSEN. Mr. Chairman, in view of the liberal attitude abroad here this morning, I cannot see any way out except to agree to this very worthwhile amendment in reference to the Forest Service.

Mr. HILL. I wish to thank the chairman very much for his liberal attitude.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Minnesota.

Mr. MARSHALL. We, on this side, accept the amendment. We are interested in protecting the Forest Service.

(Mr. HILL asked and was given permission to revise and extend his remarks.)

(Mr. METCALF asked and was given permission to extend his remarks at this point in the RECORD).

Mr. METCALF. Mr. Chairman, I support the amendment offered by the gentleman from Colorado [Mr. HILL].

Last August more than 1,200 forest fires occurred in Montana and northern Idaho. This was an alltime high. By exceptional effort, and perhaps some degree of good luck, none of these fires got seriously out of hand. The record is not always this good for we have had many disastrous fires in the past that have destroyed tremendous amounts of timber, forage, watershed values, and have taken human lives. Fire research has contributed effectively in the past to better fire control. For example, there is a fire danger rating system that originated in Montana, now in general use throughout the Nation, that guides the placement of fire control forces so as to have them available at the right time and place. Thousands of dollars have been saved by this device. Research projects need to be undertaken to give the foresters better techniques for handling the most disastrous fires. They need to study how to make aerial fire control more effective. Millions of dollars are being spent every year to get rid of slash on logging operations. We need to find new and better ways of handling this job than by expensive hand piling and burning the brush. Can we safely leave slash on some cutover areas? If so, how much? Under what kinds of conditions must we do an even more complete clean-up job? Can special machines be developed to chew up the brush?

The Forest Service has had an annual appropriation of $133,000 for fire research. The budget for fiscal year 1955 recommends a $50,000 increase. This increase, though small, would permit more work on highly important fire control problems.

We also have some tremendous forest insect problems in Montana. This year the spruce bark beetle has killed millions of board-feet of the choicest spruce trees. Control efforts are going ahead but effective work early in the game was made difficult because not enough facts are known regarding the insect that does the damage. Insects hatch out and reinvade large numbers of trees on a fairly definite schedule that depends on weather and other local factors. Unfortunately, this pattern varies from region to region. The foresters did not know at the start of the Montana epidemic just what the life history of the bark beetle was in my region. Consequently, valuable time was wasted in learning how to control the beetles while the attack was incipient.

We have other serious insect problems that can be met only by more knowledge of how the insects work and what control methods are the most effective. The spruce budworm is damaging our $3-million-a-year Christmas tree industry. The pine bark beetles are taking a big toll of our white and ponderosa pines. The research budgeted increase of $150,000 is vital to our continued production of forest products.

In every field of agriculture we have seen tremendous values come from plant genetics. Our huge wheat farms of Montana would not exist without rust resistant strains of wheat. Orchard crops, forage, and every other agricultural product you can name has benefited from the plant breeder's art.

But what about our forest trees? Only here have we failed to get the knowledge that would reduce the unit cost of producing timber. I am told that a white pine blister rust resistant tree could be developed if we had effective research bearing on the problem. Every year we spend thousands of dollars—even millions—pulling gooseberry bushes as a check on the ravages of the disease. How much more effective would it be to plant trees that are immune to the disease? It is also possible to breed trees that grow faster, produce higher quality wood, that will resist insects, or that have other desirable traits far superior to those of their parents.

The budget contains an increase of $195,836 for forest genetics research—forest and range management investigations. It is highly desirable that the full amount be allowed so that research studies in this field can be expanded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. HILL].

The amendment was agreed to.

The Clerk read as follows:

Forest roads and trails

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, $14,498,000, which sum is authorized to be appropriated by the acts of September 7, 1950 (64 Stat. 786), and June 25, 1952 (66 Stat.

158), to remain available until expended: *Provided*, That this appropriation shall be available for the rental, purchase, construction, or alteration of buildings necessary for the storage and repair of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased, altered, or constructed under this authorization shall not exceed $18,500 ($22,500 in Alaska), with the exception that any building erected, purchased, or acquired, the cost of which was $18,500 or more, may be improved within any fiscal year by an amount not to exceed 2 percent of the cost of such buildings.

Mr. H. CARL ANDERSEN. Mr. Chairman, I offer an amendment.

The Clerk read the amendment, as follows:

Amendment offered by Mr. H. CARL ANDERSEN: On page 13, line 22, after the first comma, strike out "$14,498,000" and insert "$16,000,000."

Mr. H. CARL ANDERSEN. Mr. Chairman, in line with what I stated in my opening address, if this bill is to be amended upward, I feel that certain worthwhile items in the bill should be taken care of to secure a better balance. I am offering an amendment here for what I consider very worthwhile work. This amendment brings the amount for this item up to the budget request, by the way.

In Montana, Idaho, Oregon, and Washington, we have very serious difficulty getting out timber because of the lack of good roads. It is my feeling that the Congress could go even further than this, if it so desired, from the viewpoint of good business sense.

I am offering this amendment as long as there is no need now of trying to keep below a certain budget ceiling in the overall bill. I feel that the Forest Service will make very good use of this additional sum and hope that my amendment will be agreed to.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The evidence before our committee showed that for every dollar spent on this particular item about $20 was returned to the Treasury of the United States from the sale of timber that otherwise would be inaccessible. This also shows up in the matter of the control of forest pests. It is very vital to get out the timber which has matured and is dying. So that we would be making some savings in the bill in the matter of the control of pests. On this side we have no objection to the amendment.

Mr. H. CARL ANDERSEN. If the gentleman from Minnesota [Mr. MARSHALL] will recall, this was one item that we on the subcommittee were very reluctant to hold down. In fact, I had promised the gentleman from Washington [Mr. HORAN] that if the Senate looked with favor on restoring the amount submitted by the Budget for this particular item, I would agree to it in conference. As long as the situation here is what it is I think this is a worthwhile amendment.

Mr. MARSHALL. Mr. Chairman, I should like to say that our colleague from Washington [Mr. HORAN] has done a lot of productive work in the committee in the matter of our forests.

Mr. H. CARL ANDERSEN. The gentleman from Washington [Mr. HORAN] has been one of the leaders in Congress in behalf of the Forest Service.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The question was taken; and on a division (demanded by Mr. MCCORMACK) there were—ayes 92, noes 24.

So the amendment was agreed to.

The Clerk read as follows:

SOIL CONSERVATION SERVICE

Conservation operations

For necessary expenses for carrying out the provisions of the act of April 27, 1935 (16 U. S. C. 590a–590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; operation and maintenance of aircraft; and furnishing of subsistence to employees; $58,165,671: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed $2,500, except for 8 buildings to be constructed or improved at a cost not to exceed $15,000 per building and except that alterations or improvements to other existing permanent buildings costing $2,500 or more may be made in any fiscal year in an amount not to exceed $500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil-conservation district in such State, the agreements made by or on behalf of the United States with any such soil-conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the act of April 27, 1935 (16 U. S. C. 590a–590f), in demonstration projects: *Provided further*, That not to exceed $5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

Mr. HAGEN of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAGEN of Minnesota: On page 17, line 2, strike out "$58,165,671" and insert "$58,965,671."

Mr. HAGEN of Minnesota. Mr. Chairman, the purpose of this amendment is to make it possible for 151,000 farmers throughout the country to get soil conservation maps for use in their cooperative work with the Service on their own farms. Instead of having to pay $5 for them, as has been provided, they will now get these maps without extra charge if my amendment is adopted. Actually, the cost to the Government will be considerable in setting up offices, personnel, and necessary provisions to force these 151,000 farmers to pay for their soil conservation maps.

The provision in this bill, unless changed, is a new departure in the program of the Soil Conservation Service. It would make it more difficult for the farmers to get the booklets and maps which are a part of this program. Most any businessman can go to the Department of Commerce and get, free of charge, many documents prepared by that Department, so why should we now charge the farmers for these maps and make it more difficult for them to cooperate in this program?

We are not going to save any money by setting up a big staff to handle this service for every one of these 151,000 farmers. I do not think this is wise.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of Minnesota. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. This is a very justified amendment. It is one on which the committee was very much in doubt as to whether we should not put in the bill. We did so solely in a real effort to keep the bill beneath the budget. In this case, as was brought out in the hearings, the taxpayers will probably spend at least one-half the amount of money received for these maps if you count the expense and time and effort of the Soil Conservation Service people involved in collecting these piddling amounts of $5 apiece from 151,000 farmers. Further, not forcing payment for these maps is apt to go a long way toward bringing the farmers into the fold as far as conservation is concerned. Therefore, personally, under the circumstances I wholeheartedly concur in the amendment, and I believe the gentleman from Washington [Mr. HORAN] does likewise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. HAGEN].

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 51, noes 45.

So the amendment was agreed to.

The Clerk read as follows:

Flood prevention

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (Public Law 738), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to make preliminary examinations and surveys, and to perform works of improvement, and to plan the agricultural phases of the development of the Arkansas-White-Red River area, the New England-New York area, including not to exceed $100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574),

as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $100 per diem, to remain available until expended, $6,982,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated, nor shall any part of such funds be used for the purchase of lands in the counties of Adair, Cherokee, and Sequoyah, in the State of Oklahoma, and Neosho, Cottonwood, Verdigris, Caney, and tributaries in Kansas, without the specific approval of the board of county commissioners of the county in which such lands are situated: *Provided further*, That of the funds available herein, not in excess of $6,504,500 (with which shall be merged the unexpended balances of funds heretofore made available for these purposes) may be expended in watersheds heretofore authorized by section 13 of the Flood Control Act of December 22, 1944, for necessary gully control, floodwater detention, and floodway structures in areas other than those over which the Department of the Army has jurisdiction and responsibility.

Mr. FISHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISHER: On page 19, line 11, strike out "$6,982,000" and insert in lieu thereof "$11,982,000" and on page 19, lines 24 and 25 strike out "$6,504,500" and insert in lieu thereof "$11,504,500."

Mr. FISHER. Mr. Chairman, this is a subject which has been discussed a great deal on the floor. It was discussed during the consideration of the bill, which we passed here a few weeks ago unanimously. It is a subject which has been discussed by the President a number of times, even this year, and some of his statements are contained in the hearings.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield.

Mr. WHITTEN. I hope the amendment is adopted. This is again a place where this committee—and I know a number of members of the subcommittee would have liked to strengthen this flood-prevention work. Last year, we provided $5 million for the watershed pilot plant program without a budget approval for the purpose of enlarging and expanding research in this type of work. This year, the bill carries $5 million for that program. The particular item here is for work where we have programs already set up in 11 watersheds where work in these watersheds is running approximately 15 to 20 years behind the planned progress. For that reason, I hope we can here give this added impetus to the existing work in these 11 watersheds. I think it is thoroughly sound and consistent with the program that this Congress has approved. I appreciate the gentleman yielding so that I could make this statement for the record.

Mr. FISHER. I thank the gentleman for his contribution. As I was about to say, a year ago the Soil Conservation service requested more than is contained in my amendment, and the Bureau of the Budget a year ago recommended an amount approximately equivalent to this. As the gentleman from Mississippi so well said, this has to do with works now ready and in process of construction. It is absolutely sound. I urge the membership to approve the amendment.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield.

Mr. ALBERT. I commend the gentleman for this amendment. I would like to point out to him that the former regional director of the Soil Conservation Service for the region in which he and I live testified 3 or 4 years ago that it would take 75 years to complete it unless we speeded up this program—and that delay is ridiculous.

Mr. FISHER. The gentleman is correct. I know of one project in my part of the country which is now ready awaiting contracts which cannot proceed expeditiously and economically unless a little more money is provided. A whole volume has been said here on the floor about this great program of upstream watershed flood prevention work to keep the silt back and keep it from clogging and so destroying the usefulness of the big projects down in the main basin. Here is a chance to emphasize this work and to give the people enough money to keep it going and to increase and expand this very worthwhile type of work.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield.

Mr. EDMONDSON. I join my colleague, the gentleman from Oklahoma [Mr. ALBERT], in commending the gentleman for this amendment. I know that the study of the Arkansas, White, and Red Rivers has been of great importance to the entire southwestern area, and it is very good to know that this money will be used in this type of work. I appreciate the gentleman's amendment and will support it.

Mr. FISHER. I thank the gentleman.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Texas.

Mr. LUCAS. The truth is the Soil Conservation Service has encouraged the farmers to conserve their soil and encouraged them to go out and organize against erosion, and to purchase land and be prepared for the building of retention structures. In my district they have purchased land. They have gone as far as they can go, and unless your amendment is adopted, the work they have done so far is stymied, and the protection that people desire and that the farmers in that section need will not be afforded.

Mr. FISHER. The gentleman is precisely correct in pointing out the fact that many projects that are ready to move cannot be advanced unless this amendment is adopted. This program is universally popular. The American people are for it. It has been endorsed by every farm organization in the country. Here is an opportunity to do a little more than lip service. After all, this would amount to a little over $10 million during the next fiscal year.

Mr. Chairman, there is nothing more important on our domestic front today than the conservation of the soil and our water resources. We know that the best way to conserve water is to hold it as nearly as possible where it falls. It is simply too valuable and too useful to be dissipated. This program effectively implements ordinary soil conservation practices. We have learned, too, that it is more important to prevent floods than it is to try to control them in the big channels—and it is much more economical.

If anyone thinks this $5 million increase is out of line with budgetary planning, then why not reduce the $195 million for the agricultural conservation program by $5 million? This watershed prorgam is in my judgment more important than any one phase of the ACP practices. And it goes hand in hand with and is indeed an essential part of all conservation practices. Here is a good opportunity to indicate whether you are for this watershed program or whether you are content to just talk about it and pay a little lip service to it.

Mr. LAIRD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our committee, in the bill before us, has already increased the budget item on this flood-prevention work by $1,243,000 over and above the budget presented to the committee by the Bureau of the Budget.

We hail people from the State of Texas who appeared before our committee and asked for the restoration of the budget item up to the amount that was appropriated in fiscal year 1954. The committee did restore the full amount, which was $1,243,000 over the administration's recommendation. We feel that that is enough for this work for the coming year, and that we would be making a great mistake by stepping up this appropriation in excess of the level of the 1954 appropriation.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Can the gentleman give me any real reason other than that it exceeds the budget? The gentleman heard the testimony that these works are 15 years behind the rate of progress set out in the original authorization. The testimony before our committee shows that the local people throughout these 11 watersheds in many cases have bought the land; or have gotten their easements preparatory for the work. The money in the bill is at the level it is just because the Budget approved only that amount for last year and this, though we did restore carryover funds. The only reason the gentleman advances is that the Budget has not approved it. If that is the only reason, since we are trying to meet these other problems and laboring under different circumstances from when the committee felt it had to maintain the budget ceiling, I hope the gentleman does not press any opposition too strongly.

Mr. LAIRD. The real reason, I may say to the gentleman from Mississippi, for opposing this amendment is that I do not think we can afford to further

increase the bill for this work for fiscal year 1955.

Mr. WHITTEN. But this is only $5 million.

Mr. LAIRD. This is $5 million, but we are adding other items to the bill. Five million is a considerable increase and one which I cannot support.

Mr. WHITTEN. Our earlier action would indicate that in exceptional cases we will make an exception. This is a place where an exception is needed and justified.

Mr. LAIRD. We have already gone away over the budget figures.

Mr. WHITTEN. Will the gentleman yield further?

Mr. LAIRD. I yield.

Mr. WHITTEN. The budget for the Department of Agriculture this year was reduced $36 million by the Budget Bureau from the present year. We can make this amendment and several more and still not exceed this year's program. Is that not correct?

Mr. LAIRD. That is correct, as far as the amount of reduction is concerned, but we seem to be putting in quite a few increases today. I think this is one that should not be put in at this time. I hope the House will support my position.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. FISHER].

The question was taken; and on a division (demanded by Mr. FISHER) there were—ayes 41, noes 71.

So the amendment was rejected.

The Clerk read as follows:

AGRICULTURAL CONSERVATION PROGRAM SERVICE

For necessary expenses to carry into effect the provisions of section 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g–590q), including not to exceed $6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; $191,700,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1954, carried out during the period July 1, 1953, to December 31, 1954, inclusive: *Provided,* That not to exceed $22,500,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than $4,020,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further,* That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further,* That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order 9069 of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further,* That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1955 program of soil-building practices and soil- and water-conserving practices, under the act of February 29, 1936, as amended (amounting to $250 million, including administration, but of this amount not more than $195 million may be used until a final program has been adopted relative to the use of acreage diverted from production, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 percent from the distribution for the next preceding program year, and no participant shall receive more than $1,500); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil-and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further,* That not to exceed 5 per centum of the allocation for the 1955 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties: *Provided further,* That for the 1955 program $2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and $1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further,* That in carrying out the 1955 program the Secretary shall give particular consideration to the conservation problems on farm lands diverted from crops under acreage-allotment programs: *Provided further,* That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further,* That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the act entitled "An act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

Mr. KING of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KING of Pennsylvania: On page 22, line 13, after the word "to", strike out "$250,000,000" and all following down to the comma in line 17, and insert in lieu thereof the following: "$140,000,000, including administration."

Mr. KING of Pennsylvania. Mr. Chairman, earlier today we heard a great deal about the sense of fiscal responsibility held by the committee, a great deal of concern about the increases being adopted making our effort to balance the budget that much more difficult.

The amendment I propose will solve all these problems for you and do it in a way that will be no disservice to farmers and a big advantage to the taxpayers.

The ACP program is not an agricultural conservation program in the sense that it conserves soil for the use of future generations; this is nothing in large part but a subsidy of current production at a time when certainly we do not need any increased agricultural production.

This program does have a high-sounding name and has won a lot of friends because everybody believes in conservation—I believe in conservation and would vote for increased appropriations for the Soil Conservation Service. There is perhaps some of this money spent in this program that is sound soil conservation and, therefore, it should be taken over by the Soil Conservation Service. By and large, however, this money is spent for lime, fertilizer, seeds, and things that go into the improving of the soil with no restriction whatsoever for use in the production of cash crops. Consequently, even when you plant the grass and cover crops under these programs, you will find the smart farmer realizing that he has had Government help in doing something that he ought to do for himself and will, in the course of a year or two, have this all diverted into production again. So any of these practices become just a part of a logical farm rotation, and to that extent contribute to production which we do not need.

I submit this is a way of keeping within the estimates of the committee, the budget of the President, and actually giving a break to the taxpayers by stopping a program that is serving no constructive purpose in this country at a time when we should be adjusting production to reduced needs.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. BAILEY. I think I will have to disagree with the statement that this program is not serving any constructive purpose. I do not know how it operates in the gentleman's State, but I cannot accept that as an argument against the activity in the State of Virginia. I know that a considerable amount of the activities they carry on are not permanent in nature, there are things that they do

that are of a permanent nature. I have had a pretty close connection with them in the drought period in getting feed for their livestock and in getting agricultural lime for them and in getting various other items for them. I am thoroughly familiar with the problem.

Mr. KING of Pennsylvania. I said there are some phases of this program, some practices, that are worthwhile, but the committee in its concern for fiscal responsibility here added $55 million over last year's appropriation and expressed its concern about diverted acreage. I want to point out that this excuse for the $55 million means simply that we are going to subsidize these farmers with a high-support price, then we have to order them to divert some of the acreage, then the Government comes along with another program and adds another subsidy on top of the first subsidy so as to help them carry this diverted acreage. It is all in aid of production when, as a matter of fact, the country is choking with food and fiber.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania.

Mr. Chairman, I do not mind the meritorious increases in this bill of ours, but this particular amendment is too serious to disregard. If the amendment that has been offered is agreed to it will be against the average individual farmer in America. If the amendment is agreed to it simply means that that much more of our good soil will go down the river. I do not think that the Congress of the United States, faced with an increased population of 2,700,000 people a year, intends to let the soil deteriorate to the point that there will happen to our Nation what has happened to China. The gentleman from Pennsylvania [Mr. KING] has every right to offer the amendment from his personal viewpoint.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from California.

Mr. HUNTER. Is it not true that this $55 million additional, which is in the bill, was recommended not only by the Department of Agriculture but by the Bureau of the Budget?

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct. I may say, too, that the $55 million additional will be placed upon the shelf until the great Committee on Agriculture brings in some program designed to do something definite on what we call diverted acreage.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman.

Mr. KING of Pennsylvania. Will the gentleman explain to me what there is in this bill that would keep the $55 million from being used? It will be available for expenditure just as the $195 million is. Does the gentleman not agree that it is one appropriation on top of another?

Mr. H. CARL ANDERSEN. If the Department will follow the dictates of the Congress, it will hold back this $55 million. They proposed it themselves. It is not their intention to utilize this unless the Congress sets forth a definite policy relative to the utilization of these diverted acres.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Washington.

Mr. HORAN. I think it should be pointed out that on page 22 there is a definite limitation.

Mr. H. CARL ANDERSEN. Yes, there is, right in the bill itself.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. NICHOLSON. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I do not object to appropriating money, that is, not too much of it, but I do object when the chairman of the committee gets up here and says every farmer is going to use this money because that is not so. I do not believe that a great many of the farmers in Massachusetts will allow the Federal Government to come in and fertilize their land for them. And, they have not accepted it. I guess about most of the fertilizing that they do comes about in this way: They send around agents that we pay to instruct these farmers, or let them know that there is a kitty that will not cost them anything to fertilize their land. Now, it is perfectly all right to be friendly with the farmers in 1952 and 1954 and 1956 and to love them, and they will probably love you if you give them a little more money, but the gentleman from Pennsylvania is absolutely right. It is about time to stop. If we need more land for production, let us pay them to clear it acre by acre, the same as the farmers do in Massachusetts. They keep clearing and clearing and clearing if they can see a dollar in sight. They talk about the poor farmers. A great many of them have Cadillacs, go down to Florida in the wintertime, and there is no need of crying about them. The farmers get along all right in this country. The farmers in this country get along without these handouts better than they ever did before. Still, they are giving it not only to the farmers who are willing to go out and clear up their land and make a better farm for themselves, but they give it to every Tom, Dick, and Harry that comes along, with his land depleted and all, where he could not grow anything if they gave him 100 percent fertilizer. I know what happened during the wartime. They used to give the rich men down in my district—and there are plenty of them, I mean in the cranberry business—they used to give them money to sand their bogs as one of the prerequisites for keeping the property up, and some of them took it. But, I am thankful to say not all of them did, and I think all of them are giving it up now as a patriotic favor to the country and to themselves.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not mean to belabor this point or keep the Committee here longer, but there is one thing that I think needs to be repeated, and apparently we have to repeat it each time this program comes up.

In the first place, this is the program where the Soil Conservation Service renders assistance to the soil conservation districts by paying part of the cost of works. The purpose of SCS is to get soil conservation work done. This is the program where the Federal Government attempts to pay a part of the cost of soil conservation work. Usually the Federal contribution does not get to as much as one-third of the total cost, but here is the point I would like to make:

The Department of Agriculture has built up from recommendations from the farmers themselves a catalog of approved practices. That catalog is probably 1 inch or 1½ inches thick, to give you some idea of the total number of projects and the type of soil conservation work which has been approved by the Department as approved projects. Funds are then allocated to the State, and the State committee selects from that catalog practices which they feel are badly needed in that State. From the practices there selected, the local committee selects the practice that will be approved in the local area and on which part of these funds will be used to help pay the cost.

I personally know of a number of areas in which, in my own judgment, they have not selected as good practices as they might from the standpoint of getting the maximum benefit. But, I do say in that instance the local committee has selected those practices with what I think to be less benefit and has ignored the practices that would make a better soil conservation job. So, I say to the gentleman that in any area where they are using fertilizer, that practice was selected by the local people on the basis that limestone, or whatever you had, was needed in the soil in that area. If it happens not to be, get on the local committee, because they certainly have before them a very long list of sound practices from which to choose. And at the local level, if you do not like the selection, efforts should be exerted to get the committee to select better. That is the story.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Pennsylvania.

Mr. KING of Pennsylvania. With respect to the practices mentioned by the gentleman from Mississippi [Mr. WHITTEN], I wanted to ask the gentleman how many practices were listed. I think there are something like 600 or 700 from which a farmer may select and, of course, these local committees select in such a way as to bring the maximum amount of money into their district. What would you do if you were a farmer and wanted to participate in this program? You would vote for the practices that would mean getting the money into your district in the easiest way.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. WHITTEN. I have a high regard for the farmers of my section, and my friend from Pennsylvania [Mr. KING] indicated that he has. I do not believe the gentleman means that. Certainly, if I were on a committee that was responsible for selecting practices, I believe I would discharge my obligation. I believe most of them would. I believe there are areas where they have not done it, but that has come about from a lack of attention. If we urged them to get the maximum benefits, I do not believe they would do that.

Mr. KING of Pennsylvania. I have seen this system work, and those practices that are most favorable, the easy ones, requiring fertilizer and lime in aid of a production crop are jumped upon as a legitimate practice because it is the easy one by which to get the money.

Mr. FULTON. Mr. Chairman, I rise at this time to indicate something that would be of interest to the agricultural people. On the proposed foreign-aid program that is to be submitted, I understand that for United States agricultural products to be used in the coming fiscal year, the program will be cut 72 percent. That is a tremendous cut from the present program of the use of United States agricultural surpluses abroad under the foreign-aid program. It leaves only a 28-percent program for the coming year as compared with last year. So, those who represent farm districts in the House should be alerted to this proposed cut. For my part, I feel that the United States should, in about a 5- or 6-year period, when we have laid up an ample supply for our own security, and a normal granary, try to export our surpluses abroad so that they would be used rather than spoil. If we could take up about 15 percent of our surpluses each year, in a short period of time we could clear them up.

I have recommended $1 billion worth of United States farm product surpluses to be put into this program. We, on the Committee on Foreign Affairs, will try to help the people from the agricultural areas to move those surpluses. We have friends and allies abroad whose citizens are not being adequately fed. Before this period, the United States has had what has been called dollar diplomacy. Then the United States has been implementing so-called arms diplomacy in the second case. Now, I suggest that we use food to feed our friends and to bring them up economically, and to do this as a good, diplomatic instrument for the United States Government and for our United States security.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Colorado.

Mr. HILL. I should like to tell the gentleman that in the Committee on Agriculture we have several bills that we expect to consider right after the Easter recess. They are on the very subject the gentleman is describing; that is, the sale of our surpluses to these foreign countries. There are several methods incorporated in these bills that we hope will prepare the way for us to be able to dispose of these surpluses, such as long-term credit or the use of foreign exchange, or any sort of trade or deal that we can make with these foreign countries.

Mr. FULTON. Mr. Chairman, I am glad to hear that from my friend from Colorado [Mr. HILL] because if the Committee on Agriculture intends to take up that subject, I should like to say that the program has already been submitted to the Committee on Foreign Affairs. My suggestion to the House is, in all humility, that there should be a combined session of the Committee on Agriculture and the Committee on Foreign Affairs in order to work this matter out, especially those who feel as does the gentleman and as I do on the use of these surpluses.

Mr. HILL. I shall be glad to supply the gentleman with a copy of the bill I introduced myself on this very matter.

Mr. FULTON. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. May I say that my subcommittee observed early in last September the distribution of our food parcels to hungry people from East Berlin and Eastern Germany. I think it is the very best possible propaganda we could do abroad. Give these needy people food and we gain their friendship.

Mr. FULTON. It worked well.

Mr. H. CARL ANDERSEN. That is right. Further, we observed nearly one-half million Arab refugees along the borders of Israel and a considerably larger number of Moslems in Pakistan. In my opinion, and I cannot stress it too strongly, there is no way in which this Congress can do a better service in securing lasting friendships throughout the world than to make our surplus foods available to such people. We are blessed with surpluses and should share our food with others that need it. Our Nation will make friends in so doing.

Mr. FULTON. I am glad to hear that.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. KING of Pennsylvania. While the gentleman is worrying about moving our surpluses into foreign lands, does he not thing it is a little bit foolish for us to be spending $250 million a year in a program that is largely a support and subsidy of production?

Mr. FULTON. My comment on that is that I want the average farmer to get along well in the United States, but I cannot see why the program extends without limit to people who really do not need it. I do not think they should be putting their hands into the United States Treasury for free handouts under any name. And a farmer who would otherwise take everything out of the land, wear it out without rotation or putting anything back into the land, is not worthy of the name farmer.

I had an amendment last year, to limit payments to the participants under this conservation program so they would not get grants of assistance if their net incomes for Federal income-tax purposes were in excess of $10,000 for any calendar year. Can anybody on the agricultural committee tell me why somebody who is earning net after the payment of all expenses and taxes and depreciation, $10,000 a year should have to come to the Government with his hands out and get a free handout of manure and fertilizer? It is beyond my imagination, and the taxpayers should not be called on for this burden.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to clear up one point. As I understand, the gentleman from Pennsylvania stated that the amount he used would restore the figure to the amount recommended by the Bureau of the Budget. Am I correct in that?

Mr. KING of Pennsylvania. No, that is not correct. This $140 million that my amendment would provide just happens to be the same amount that Secretary Benson recommended last year.

Mr. HESELTON. Then may I ask the chairman if the amount in the bill is the amount recommended by the Bureau of the Budget?

Mr. H. CARL ANDERSEN. The gentleman is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. KING of Pennsylvania) there were—ayes 29, noes 83.

So the amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 22, line 24, strike out "$1,500" and insert "$1,000."

Mr. FULTON. Mr. Chairman, this amendment is changing the limit on the amount of payments which any person can receive under this program from $1,500 to a limit of $1,000. The substance of this amendment was included in my amendment last year combined with another provision. At that time the provision of limitation to $1,000 was backed by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] as well as by the gentleman from Kansas [Mr. REES].

This amendment means that more of the money will go to the smaller farmers. The reason for it is this. If you will look back over the programs, you will find the limit in 1948 was $500 to each person. In 1949, the limit was raised to $750 per person. In 1950, it was up with a zoom to $2,500 per person. Now the question is shall the limit under the agricultural conservation program be $1,000 per person or $1,500 per person in any year?

In the 1950 program 99.58 percent of the total participants were those who received under $1,000. In the 1951 program, 99.51 percent were under the $1,000 limit. In the 1952 program 99.63 percent of the total participants received $1,000 or less. That means that the money in the program will be divided over a broader base. It is not taking one penny away from the farmers, but the appropriation is spread out more and it also cuts down

the ones who are getting these bigger amounts. Under the previous programs, the limit has been one which has varied, and I believe $1,000 is just about midway between the $500 lower limit that it previously had and the $1,500 limit in this bill. If we want to be fair to the gallus type dirt farmer, and if we want to stand with the ordinary fellow, then we will vote for this amendment which would spread the payments over the average farmers. Remember this is only the payment per year, and that these fellows who are getting these big payments are not restricted to 1 year. For example, Mr. KING can tell you that they can come back year after year for more assistance. For my part, I feel we should help the moderate sized farmer. I do not think we should help the big corporation farmer because after we get up over a certain amount of acreage, he should not be getting these handouts.

I have previously said I do not think a farmer should be helped if he is making $10,000 in any current year net, after the payment of expenses, depreciation, and all deductions; but I have not attempted to put that limitation in the bill this year. So here is a way to spread the benefits among the average farmer and to restrict the one who is reaching his hand in too deep into the public till and which will make the average dirt or gallus type farmer have the full benefit of these funds.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment. I do so, Mr. Chairman, because I think we are betting confused in this House with a relief program and a soil-conservation program. If we are going to talk in terms of soil conservation, the program which will conserve the resources of this country, it is wrong for us to put a dollar limitation on it.

As the gentleman from Pennsylvania [Mr. FULTON] pointed out, 99 percent or more in the last 3 years on this program have earned less than $1,000. I think that is an indication that this program is working. However, if we put a limitation upon this particular fund, we can prevent some very worthwhile services from taking place. I am thinking in terms of a permanent type of practices that some of you have been talking about, because some of these permanent type practices require considerable outlay or expenditure. They require that you do spend money to accomplish permanent conservation.

The gentleman from Pennsylvania [Mr. FULTON], for whom I have high admiration, talks about people getting something for nothing. I do not understand what he is talking about, because every dollar which is spent under this program, the farmer must do something for it. Overall the farmer contributes $2 for every dollar that he gets from the Federal Government, in addition to the labor he has expended in putting into effect these practices. Where is the "for free" in that? I do not understand that. This is a cooperative program between the Government and the farmer, to encourage good farm practices and soil conservation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. McCORMACK. Will the gentleman agree that one of the most important obligations and one of the most important matters of interest to our country is to conserve the topsoil of our country?

Mr. MARSHALL. Certainly. It is a problem that not only affects the farmer, but in even greater degree it affects the consumer, because every day the food we eat comes out of the soil, and the clothes we wear comes from the soil.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. As the gentleman knows, we have been disturbed in our subcommittee at the effect of such an amendment as this, where it has to do with the owner of a large body of land who leases out to several individual tenants; what effect this reduction will make. Does it not mean that those tenants will have access to that much less of any possible payment, because that particular owner will be limited under this amendment to a total of $1,000?

Mr. MARSHALL. It will discourage the carrying out of good, sound practices that this committee has been advocating.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am a city farmer, that is right. I run a farm near a city. But if it is so bad, why are AUGUST H. ANDRESEN and ED REES for it? ED REES, I remember, said it was for the gallus-type farmer; that he wanted the money spread. When you say we are putting a limit on it, there is already a limit of $1,500. In 1949, when you were a member of the committee, the limit was raised from $750. Previous to that, during your administration, the limit was $500. Were you wrong then or are you right now?

Mr. MARSHALL. Because of the effect of the $750 limitation, it was raised. I would like to say to the gentleman, when he is talking about a one-gallus farmer and a two-gallus farmer, if things continue as they are the farmer will be lucky if he has any galluses at all.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to agree with what the gentleman has said with reference to this limitation. It is a fact that when you have such a limitation in a State where you have a large number of tenant farmers, the actual program will not operate, because you might have 1 farmer with 15 or 20 tenants. If you have a limitation of $1,000 he will not be able to go into the program.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, once again apparently many of our well-intentioned colleagues take the view that this is a relief program and a payment from the Government to individual farmers. This program could never be justified if that were true. If that were true it should be eliminated. This program is a program to assist in paying part of the cost of specific soil-conservation work done on land.

The purpose of all these programs is to get soil conservation on land. If it is sound to get soil conservation on land, the more land you can get the practices on, the better.

Some of the folks engaging in soil conservation that I have seen are not even farmers; they are dentists, doctors, lawyers. They have bought rundown lands and because the Government will pay a small part of the original cost, they have ended up by spending 10 and 15 times as much on soil conservation as the Federal contribution setting an example in a community which leads the farmer to special effort. The result is that both the State and the Nation end up with a greatly improved number of acres of land. That is what the program is for.

I would like to point out to those who complain about the practices in some area selected by a local committee not bringing the greatest result that is possible, that these funds are allocated to the various States by a formula. Within those States the local folks set the limit on how much the Federal Government will pay toward soil-conservation work by any farmer.

In some of our Western States, to render maximum benefits, you need a large project such as a flood-retarding dam, a drainage or irrigation ditch. This administration has enabled a number of farmers to join together so that the Federal contribution to such a program would be large enough to get a project of sufficient size to really render benefits. In any State where they do not like this maximum of $1,500 in this bill, they merely, at the State level, limit the amount of the contribution to any one farm or farms; but, goodness knows, it is guessing for us here to try to solve all these problems. Each State must set this program according to its own needs. The great Western States have problems that must be handled in a larger way. Not only that, but also in some sections you have large landowners, and when you limit the total amount which should go in total costs of soil work to the man who owns a large farm you are causing him to take his land out from under the program, and if he has 50 tenants, whatever benefits come from any increase in production, those tenants who work on shares are denied and left out.

This whole amendment, in my judgment, is offered on the theory and in the belief by some that this is simply a check to the farmer. It is not. He must do the work, go through with it. After he has done that a part of the cost is repaid to him. In some instances the Government supplies materials. It is his job to get the materials and distribute them.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. FULTON. The gentleman does not think as good an authority as AUGUST H. ANDRESEN is, or as fine an authority as ED REES of Kansas is, was trying to go against any dirt farmers in their respective districts, do you?

Mr. WHITTEN. I said that this was a question that had to be decided on the State level governed by conditions that exist in that part of the country. I think that is the conclusion reached by all of us who have studied the problem. If in Pennsylvania you want to limit it to $50, by all means do so, but do not preclude farmers in Idaho, Colorado, Nebraska, Mississippi, or any of the other States from handling this so as to get maximum results. You want better projects, so do I. Making all projects small in some areas would lead to just such results as those of which you complain.

Mr. FULTON. Let me ask one more question. I believe your committee passed the program when it had a $500 participation limit and $750. Was it not successful?

Mr. WHITTEN. No, it was not, definitely not. I opposed it at the time and later was able to get that limitation reversed for the very reasons I have presented here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 13, noes 80.

So the amendment was rejected.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Mr. Chairman, how many amendments are there pending on the desk?

The CHAIRMAN. The Chair is advised there are four amendments at the desk.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent that the balance of the bill be considered read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORAN: On page 25, line 13, strike out "$9,100,800" and insert in lieu thereof "$10,215,000."

Mr. HORAN. Mr. Chairman, this is the amount requested by the Department of Agriculture of the Budget, the Department having the job of getting rid of the surplus commodities we have on hand. The only answer to our present farm problem is marketing. They are very, very anxious to carry on marketing research. This merely allows the full amount of the budget for that purpose. Earlier today we agreed to an amendment that stepped up production research. If we are going to do that, certainly it has to be melded in and made uniform and workable with market research.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I hope the amendment will be agreed to. May I say further the fact these funds are not in this bill as well as funds for further research, for extension and for the State experiment stations, came from the need at the time and the desire to try to fit the bill into budget limitations. The subcommittee was unanimous, I think, in the belief that these programs could be well strengthened beyond the total amount we felt was the limit we could get at that time.

Mr. HORAN. I am glad to have the gentleman's comment. This merely implements and gives the tools to the Secretary of Agriculture to carry on effectively and do a good job.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Kansas.

Mr. HOPE. Mr. Chairman, in my opinion, this is a very important amendment. May I point out that since the reorganization of the Department of Agriculture and the setting up of the Agricultural Marketing Service we now have a very effective, efficient organization for making use of funds for marketing research. I am sure that these funds will be very effectively spent in the interest of agricultural marketing.

Mr. HORAN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. HORAN].

The amendment was agreed to.

Mr. CANNON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON: Page 26, line 25, strike out "$77,011,416" and insert in lieu thereof "$83,464,000."

Mr. CANNON. Mr. Chairman, we have here in the North American Continent the most fertile and productive lands to be found anywhere upon the globe.

But our millions of acres of billowing wheat, our endless acres of rustling corn, our cattle upon a thousand hills are not our best crops. Our finest crops are the myriads of flowerbeds of laughing boys and girls which cluster about our schools from the Bronx on the Atlantic to the Golden Gate on the Pacific, and in every community between. Our finest product, of country farm and city square, our greatest national asset is the childhood of America because it is the future of America.

No course of study, no system of pedagogy, no method of school administration has produced such immediate results, has been so universally successful, or has contributed so richly to modern education as the school lunch.

It has improved health and physique. It has promoted scholarship and IQ, intelligence quotients. It has simplified the maintenance of student morale and school discipline.

A methodical analysis of school and community diets has shown a surprising number of children who come to school without an adequate breakfast. Some are from families on a minimum standard of living and on the other hand some are from wealthier families where children refuse to eat the morning meal without tedious coaxing but will join in with other children at school lunch and the recess bottle of milk. In every school in which it has been introduced it has resulted in a wholesome increase in weight and vigor, in improved scholarship and the social graces, and increased immunity to prevalent infections.

One of the untoward developments of our times is the growth of juvenile delinquency. Here is an effective remedy. As an ample food supply has proved to be the most practical deterrent to the growth of communism, so the school lunch with its scientific menu and balanced diet has contributed immeasurably to the control of juvenile delinquency.

No school which has given the school lunch a well-ordered trial has ever discontinued it. And more schools are adopting the program every year. As more schools qualified, the demands on the Federal fund increased correspondingly until the appropriation is stretched for the current year almost to the breaking point. Consequently the committee was astonished when the budget came up this year to find that the funds for the school lunch program had been reduced $15 million below the amount spent this year. Instead of being increased $15 million to meet the demand of the additional schools adopting the program, the budget reduced it $15 million.

So I am offering an amendment to eliminate the cut and keep the fund where it is for this year. It really should be increased if we are to take care of the new schools. But I realize that we must tighten our belts and economize in every way possible and accordingly am only asking that the appropriation be returned to the amount being spent in cooperation with the schools of the country for the current year.

Mr. Chairman, American children must not go hungry. They must not be handicapped in their preparation for life, physically or spiritually. I hope the amendment will have the support of the House.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, in view of the fact that we have difficulties with our surpluses and there is no better place in the world to dispose of them than in our school-lunch program, I accept the gentleman's amendment.

Mr. CANNON. I thank the gentleman.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I would like to have the RECORD show that I was prepared to offer the same amendment.

Mr. CANNON. I much appreciate the approval and cooperation of the distinguished minority leader.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The amendment was agreed to.

Mr. LAIRD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAIRD: Page 26, line 11, strike out "$573,000" and insert in lieu thereof "$900,000."

Mr. LAIRD. Mr. Chairman, this amendment has to do with restoring $327,000 which was recommended by the Secretary of Agriculture and the Bureau of the Budget for the State departments of agriculture and Bureau of Markets for the Agricultural Marketing Service. One of the finest appearances that was made before our committee was made on this particular budget item. We had as witnesses D. N. McDowell, director, State Department of Agriculture of Wisconsin; Mr. L. Y. Ballantine, of North Carolina; and Mr. Roy Freeland, of Kansas. They made a very good presentation of this particular State marketing work. The proposed increase for the cooperative marketing service activities is on a matching-fund basis with the States and is needed to assist in getting the results of research and the knowledge of the best marketing methods and practices in effect within the distribution system. Thirty States are attacking the marketing problems with the assistance provided by payments made under this program. I feel that the program is a good program and one which we should support and that this amendment is very necessary to increase emphasis on this marketing program for the next year.

Major problems on which additional marketing service is essential are:

First. Reducing waste and spoilage; improving product quality by better handling, packaging, processing, storing, and shipping of farm products: One of the most pressing problems, particularly in a period of large supplies, is the preservation of product quality in storage and other channels of marketing. In many grain areas, for example, a large proportion of the locally produced grain is sold below current market prices because it is handled inefficiently and deteriorates in quality because of inadequate drying, storage, and processing facilities.

Second. Developing expanded domestic markets for surplus commodities: Growers, shippers, and processors of farm products often fail to gain fully from their market opportunities through lack of information on production prospects, location, variety, and quality of available supplies. Data are developed on distribution and retailing practices, as well as the possibilities of developing distribution in new areas or for new types of users.

Third. Developing new market information: Local or area market news projects need to be expanded on an experimental basis so that producers and dealers may have prices quoted which they should receive or pay for agricultural products.

Fourth. Improving market facilities, equipment, and procedures: Part of the increased funds would be used in furnishing technical assistance to local agencies and marketing officials in the design and location of new market facilities, and modernization of existing receiving and handling facilities, including those in rural areas as well as terminal markets. Wholesale markets in many areas are outmoded and very inefficient in the handling and distribution of highly perishable farm products, and the work proposed offers great promise in reducing marketing costs.

Marketing our farm products is definitely one of the important problems before our people today. Fortunately, we have more than 160 million consumers in this country who want these farm products. It is only necessary that they be informed consumers so that they choose wisely when they are shopping for their weekly food supply.

If large-scale improvement in agricultural marketing and distribution is to be achieved, it is necessary to enlist consumers in this program. That can be done through educational work such as has been developed by the Agricultural Extension Service.

More widespread and more effective dissemination of marketing information is necessary so that more people can participate in this program. It is necessary to reach 10 times as many people. It is necessary to encourage them to buy more of the large supplies and to make substitutions for short supplies.

More beef was eaten last year. That was a good thing for consumers, and it was a big help to farmers. Prices are in better adjustment today because people responded to the appeal for greater use of the larger supply of beef.

Orderly marketing benefits all. By encouraging consumers to use more of the plentiful food and to go easy on those in short supply, this educational program can help us get a reasonable adjustment in consumer demand. This is good for consumers and very helpful to farmers.

Satisfied customers are the farmer's best market. Repeat sales depend upon satisfied customers. Knowing when supplies are plentiful, how to select the right quality, what are good buys, and proper care of food are all important. New or different ways of preparing food may be a very effective way to expand markets for farm products. Informed consumers will be satisfied customers.

Since our market outlets depend to a great degree upon consumer information, and since millions of consumers are concentrated in urban areas, the information needs to reach these people.

Consumer information is assembled, interpreted, and disseminated on food supplies, prices, qualities, sources, marketing seasons, varieties, selection, and uses. Releases adapted especially to consumers go to many people who work with consumers. They report research results, list good food buys, and call attention to plentiful foods. The program includes also market tours, food marketing talks, demonstrations, radio and television programs, and press and magazine stories on food marketing. State departments of agriculture cooperate with many other agencies, public and private, in these programs. The program also helps consumers understand marketing. In doing so, it benefits not only the people who purchase food, it also helps the farmers who produce the Nation's crops, and the handlers who distribute the country's food supply.

While a commendable beginning has been made in reaching urban consumers with educational assistance on how to buy and utilize agricultural products to their best advantage, the present program will have to be multiplied many times if any large proportion of these people is to be reached.

We can have more efficient marketing, and we can have expanded markets for our plentiful foods, if we develop a program in marketing which recognizes satisfied customers as the farmer's best market.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. I am very happy that the gentleman offered that amendment, and I hope it will be adopted. I simply want to supplement what the gentleman has said by stating that at the time the Research and Marketing Act of 1946 was adopted it was contemplated that this work with the State commissioners of agriculture would be an important part of the marketing research, because it represents in most cases an effort to get the work adjusted and adapted to local conditions. As a matter of fact, in the past, that part of the work has been quite neglected. But the gentleman's amendment will make it possible to increase the amounts that go to the States which, as the gentleman has said, have to be matched by the States, and matched with new money. So the States have to increase their program in order to get this money.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman.

Mr. COOLEY. I would like to concur in the remarks made by the distinguished Chairman of the Committee on Agriculture [Mr. HOPE] and express the hope that the gentleman's amendment will be adopted. It is very vital to the programs that we now have in the State of North Carolina. As the gentleman has mentioned, our Commissioner of Agriculture, came before our committee and made a splendid presentation of the programs that are now in operation in our State. I hope the Committee will approve the amendment.

Mr. LAIRD. I wish to thank the Chairman of the House Agriculture Committee, Mr. HOPE and the ranking minority member of the House Agriculture Committee, Mr. COOLEY for their support of my amendment. I sincerely hope my amendment is adopted.

Mr. D'EWART. Mr. Chairman, I appreciate the difficulties that faced the committee in adjusting the sums required for the action programs of the Department of Agriculture without exceeding the total amount requested in the budget for this important Department.

It is gratifying to note that the committee has recommended continuation of the forest acquisition program carried on by the National Forest Reservation Commission, of which I am a member. The sum of $75,000 is insignificant when compared with the amount appropriated for many other activities, but it is highly important to carry on the work of blocking out forest areas and we will be rewarded in the long run for making possible better management and better conservation practices in the national forests, particularly in the East.

I am gratified also to see that the funds for cooperation with the States in forest nursery work are restored. In my State this is very important work, and it would have to stop if the Federal share were withheld at a time when the legislature cannot possibly meet to act upon the matter. The same consideration applies to the funds for cooperation with the States in forest-fire control, which are restored almost in full.

The support that the committee has given the Rural Electrification Administration certainly is justified. In this connection, I have noted mistaken statements to the effect that some REA cooperatives in the State of Montana are being refused loans because money is not available. I can interpret such reports only as deliberate attempts to discredit the new administration of the REA. The Administrator of the Rural Electrification Administration assures me that the REA now has sufficient funds available for loans for the State of Montana to cover all of the pending applications from Montana REA cooperatives, and no cooperative has been or will be refused on the grounds that funds are not available at this time. Further, it is my understanding that this situation has prevailed throughout the current fiscal year.

I am in receipt of a number of messages from Montana urging that the House amend the pending bill to increase the funds for research and the Extension Service to the full amounts requested by Mr. Benson. I note that the committee has made substantial increases in these activities when compared with funds appropriated a year ago. I agree that further increases probably would be desirable and would be of great benefit to agriculture and the Nation generally. I hope that such increases can be made.

In Montana we are particularly interested in additional funds for study of soil and water conservation in the northern Great Plains. We have realized great benefits from the work that has been done in this field since the thirties, and hope that it may be expanded and enlarged.

In connection with the extension program, it is a subject of concern to many Montana people that the support given this work by the Federal Government has been diminishing steadily over the years. I am told that over the years the States have contributed an average of $2 for each $1 that the Federal Government supplied, but since the last war Federal contributions have diminished so that in the current year Montana is putting up $4.42 for every Federal dollar, and a similar ratio is in effect elsewhere. It is very difficult for the States to increase their contribution materially. It is desirable to have the Federal support increased to something more nearly in line with the State contribution.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

I take this time in order to ask the gentleman whose amendment we are considering, as well as some of the other gentlemen who have just spoken, this question. If these amendment that are coming in here are so good, why is it that the committee has not taken action in conformity with the suggestions of these gentlemen? Why does the Appropriations Committee stand on its record now as opposed to these amendments which everybody from the agricultural States now say are so much needed and are so wonderful and add so much to the program?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I am glad to yield to the gentleman.

Mr. COOLEY. I would like to say that I can see the gentleman's point. But the fact is athat these are important items. The members of this great committee have not objected to them, but they tried to stay within the limitations of the budget. This is an item that was recommended by the budget. They have not accepted anything that was not recommended by the budget.

Mr. FULTON. Yes, but why did not the committee take care of them when they reported the bill instead of accepting them when these other gentlemen offer these amendments?

Mr. COOLEY. They did, but they stayed within the overall budget.

Mr. FULTON. Was this amendment in the bill?

Mr. COOLEY. No, but it was recommended by the Bureau of the Budget.

Mr. FULTON. I still do not understand the situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. LAIRD].

The amendment was agreed to.

Mr. KING of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KING of Pennsylvania: On page 24, in line 24, change the period to a colon and add the following: "*Provided further,* That no payments or grants shall be made for approved practices on land which during any 1 of the previous 10 years has been the location of a practice for which payments or grants were made under this program."

Mr. H. CARL ANDERSEN. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. In my opinion, this is clearly legislation upon an appropriation bill.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. KING] wish to be heard on the point of order?

Mr. KING of Pennsylvania. Mr. Chairman, it seems to me that this is purely a limitation on the expenditure of money, by saying that it may not be spent on ground which has previously received assistance. It is the essence of the whole argument over whether this is a soil-conservation program or whether it is a subsidy of production. If you believe it is a soil-conservation program, preserving the soil for the future, you will agree that once in 10 years is enough for the Government to kick in for the creation of something that will hold the soil. This simply prohibits them from taking money from the Government on the same piece of ground, if the farmer has received a payment covering that same ground within the previous 10 years. It is purely a limitation.

Mr. H. CARL ANDERSEN. Mr. Chairman, if I may be heard on the point of order, I call attention to the fact that this amendment changes the whole basic intent of the program, and it certainly puts more duties on the Department in the line of having it make certain determinations. In my opinion, it is clearly beyond the scope of what we are permitted to do within this bill.

The CHAIRMAN (Mr. ELLSWORTH). The Chair is ready to rule.

The gentleman from Pennsylvania [Mr. KING] has offered an amendment to which a point of order has been made by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The Chair has examined the amendment. In view of the fact that the language of the amendment would seem to impose further duties and apparently provide for payment of sums which are not otherwise included in the pending bill, the Chair sustains the point of order.

Mr. KING of Pennsylvania. Mr. Chairman, I withdraw the amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ELLSWORTH, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. H. CARL ANDERSEN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 224. Concurrent resolution fixing date of adjournment for the House of Representatives.

SCHOOL-LUNCH PROGRAM

(Mr. PHILBIN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PHILBIN. Mr. Speaker, this bill has many fine provisions which, in my judgment, promote the national welfare. In addition to provisions for commendable general agricultural and farming purposes, the measure contains several very beneficial appropriations for praiseworthy, most desirable projects and uses far removed from political partisanship, I trust.

It would not be possible at this time to mention them all, perhaps, but certainly noteworthy of specific reference are those provisions for research and education, disease and pest control, inspection, grading, classing, and standardization of agricultural commodities, soil conservation, marketing, extension and forest services, and very particularly the school-lunch program.

It would be quite impossible to overestimate the value and benefits of the school-lunch program. Clearly, it has improved the nutritional and dietary standards of our young children and youth. By providing plenty of wholesome, nourishing food, it has greatly benefited and improved the health and well-being of new generations of young Americans; hence, it is a vital influence in building robust, healthy, and vigorous young people, physically and mentally equipped to gain maximum results from their education, and later develop into strong, well-knit, courageous citizens fit in every way to cope with the problems of life and government.

I am committed to most generous and abundant provisions to continue the school-lunch program, and propose to vote for adequate funds for this valuable activity.

This is a most important matter. This program needs to be strongly supported and strengthened by the House, and I hope and urge every Member to rally to this fine cause. As a result, we will in time have a stronger, healthier young America and a sounder nation in every respect.

SPECIAL ORDER GRANTED

Mr. RABAUT asked and was given permission to address the House for 5 minutes today, following any special orders heretofore entered.

CORRECTION IN APPENDIX OF RECORD

Mr. LAIRD. Mr. Speaker, I ask unanimous consent on behalf of my colleague the gentleman from California [Mr. GUBSER] to have a correction made in an article inserted by him in the Appendix of the RECORD, entitled "Communists Cut Contact to United States Pilot," inserted in CONGRESSIONAL RECORD March 22, page A2147.

The first paragraph of the article refers to "311 Americans being held in Chinese jails." This should be corrected to read "31 Americans being held in Chinese jails."

The last paragraph of the article also refers to "311 other Americans in Chinese Communist prisons." This should be corrected to read "31 other Americans in Chinese Communist prisons."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING COMMUNICATIONS ACT OF 1934

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6436) to amend the Communications Act of 1934, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 17, insert:

"SEC. 2. So much of section 3 (e) of the Communications Act of 1934, as amended, as follows the semicolon is amended to read as follows: 'but shall not, with respect to the provisions of title II of this act, include wire or radio communication between points in the same State, Territory, or possession of the United States, or the District of Columbia, through any place outside thereof, if such communication is regulated by a State commission.'"

Page 2, line 18, strike out "2" and insert "3."

Page 2, line 22, strike out "3" and insert "4."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

AUTHORIZING CLERK TO RECEIVE MESSAGES AND AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until April 26, 1954, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AUTHORIZING THE SPEAKER TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until April 26, 1954, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ORDER OF BUSINESS ON MONDAY, APRIL 26, 1954

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that on Monday, April 26, 1954, it shall be in order to consider business under clause 4, rule XIII, the Consent Calendar rule, and business under clause 6, rule XXIV, the Private Calendar rule.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THERE MUST BE NO SHOOTING WAR IN INDOCHINA

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 20 minutes.

(Mr. SMITH of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Wisconsin. Mr. Speaker, the people of this country are asking these questions, and they ask them earnestly: "Must the United States remain under arms for decades to come? Must our sons continue to be drafted for years to come for service permanently in 49 countries over the world?"

The Korean fiasco is deadlocked in a truce that is inuring to the benefit of Communist North Korea—at best, it is a dubious truce.

Now comes Indochina with increasing support of military supplies and air equipment. Does this mean the prelude to the commission of fighting forces on the mainland of Asia? The people are

alarmed over the prospects of another war.

President Eisenhower has assured the Nation that he will avoid war, but if it must come, that he will call upon Congress to act. This is reassuring but it is not final. The choice of war or peace may not be ours. Events may precipitate a situation that permits of no escape from war.

Can there be any doubt of Soviet intentions in these perilous days? She is supporting every demand for conferences and meetings, she is and has used the United Nations to block the road to a permanent peace. And at this moment she is driving a wedge between the countries of the free world. They are convinced we are begging for peace, that we are afraid of war.

It seems clear to me, Mr. Speaker, that the Communists have little to gain from any conference or meeting, except to emphasize still more to their own peoples that successful Communist propaganda about the H-bomb has scared the whole free world into submissiveness. We know this is not true, but as we contemplate the attitudes and reactions of free nations, serious questions arise.

Consider the fact, as one writer has so well said, that we sit in the United Nations with lawless governments that should be expelled for violating the charter, which prohibits act of military aggression against any state. Communist leaders gain prestige inside Russia by their ability to persuade free nations to negotiate with them.

Make no mistake, within Russia the forthcoming conference at Geneva is billed as a great victory for Red China and Russia.

Yet, Mr. Speaker, we accept criminals as equals in the United Nations.

The Secretary of State is presently engaged in a superhuman effort to secure unity of action by the free world. We pray that he may succeed, but he has two strikes against him. Both public opinion and public officials in the free nations are opposed to any action which might offend the Kremlin.

Uncle Sam stands alone. Have no fear about this country going it alone, unless it is forced to do so. But it becomes very clear today that both England and France have their own ideas as to what is best for them in these days of extreme tension. Their positions, no doubt, are based upon their own national interests and we should not be too critical. It is their right.

Mr. Speaker, I believe that the American people will support, to the limit, a program that will—

First. Ostracize the lawless regimes of Soviet Russia and Red China.

Second. Cut off all trade with our enemies, Russia and Red China.

Third. Sever all diplomatic relations with Soviet Russia and its satellites until they are prepared to renounce policies of aggression and subversion.

Mr. Speaker, the United States must not become involved in a land war in Indochina. Public opinion is overwhelmingly against any such action.

Our fighting men have won wars on the field of battle. Our diplomats have lost the peace at the conference tables. An unrealistic foreign policy has led to a debacle in China and Korea and at this very moment, another shooting war impends in Indochina.

Mr. Speaker, why go on with the Geneva conference when the cards are stacked against us? We are in a political box and the only alternative is another war.

Mr. Speaker, if war comes under this administration, it could well be the end of the Republican Party.

THE ADMINISTRATION OF THE REFUGEE RELIEF ACT OF 1953

The SPEAKER pro tempore (Mr. GRAHAM). Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 15 minutes.

Mr. JAVITS. Mr. Speaker, it will be recalled that when on March 25, 1954, the House was considering the deficiency appropriations bill, the denial of an item of $1,560,000 of deficiency appropriations came up for the administration of the Refugee Relief Act of 1953. It appeared from testimony before the Subcommittee on Foreign Aid, General and Temporary Activity Appropriations of the Appropriations Committee that less than 50 visas had been issued since the law was enacted on August 7, 1953, that not over six aliens had actually been admitted under the act up to the date of the subcommittee hearing March 17, 1954, and that the cost of the program then was at the rate of over $100,000 per alien admitted.

I stated at that time that the matter could well be "verging up into a national scandal" in view of the fact that the bill provided for the admission of 209,000 aliens from abroad under the act on nonquota visas over a period of 3 years and that so very few had been admitted despite the $3 million of appropriations already made. I informed the House at that time that I am for this legislation as a wise and considered element of the policy of the United States and that I will undertake to look into the situation and report to my colleagues whether the intent and desire of Congress was being followed in the administration of this legislation.

Since that date I have carefully examined the reports and other papers relating to the administration of the act—the first semi-annual report of the Administrator was filed as of January 15, 1954—and have also had talks with the Administrator of the Act, the Hon. Scott McLeod, who is also the Administrator of the Bureau of Security and Consular Affairs of the Department of State, and with his deputy directly in charge of this program, the Hon. Robert C. Alexander, Assistant Administrator for Refugee Relief.

REPORT

Based upon these inquiries I report to the House as follows:

First. The Refugee Relief Act of 1953 provides for the issuance of 209,000 nonquota visas through December 31, 1956—plus 5,000 visas for adjustment of status of aliens in the United States—of which 186,000 may be issued to refugees and escapees from Communist-dominated countries in both Europe and Asia—55,000 to German expellees and 35,000 to escapees in West Germany, 10,000 escapees in NATO countries, 2,000 Polish War Veteran refugees, 45,000 Italian refugees, 15,000 Greek refugees, 15,000 Dutch refugees, 2,000 Chinese refugees, and 2,000 Arab refugees—4,000 may be orphans adopted by American families; 19,000—15,000 Italian, 2,000 Greek and 2,000 Dutch—may be emigrants entitled to preference under the Immigration and Nationality Act to join families in the United States and who are over quota of Italian, Greek and Dutch nationality and will have to wait a long time.

By H. R. 8193 which has passed the House and is now pending in the Senate, authority is granted to re-distribute the aggregate non-quota visas available under the Refugee Relief Act between refugees and escapees and emigration preference cases making for bilateral availability of visas for persons coming under the Italian, Greek and Dutch nationality classifications. The demands for H. R. 8193 reflect some of the problems which have been encountered in the administration of the Refugee Relief Act of 1953. Immigration preference cases pending as of March 31, 1954, aggregated 40,332 of Italian nationality and 3,110 of Greek nationality; on the other hand, the allocation of 45,000 visas for Italian refugees and 15,000 for Greek refugees appeared likely to remain undersubscribed; conversely, the demand for immigration preference visas under the Netherlands allotment was small with only 405 preference cases while a greater apportionment was needed for Dutch refugees from Indonesia and from the 1953 flood disaster.

Second. Operations under the act. The latest report which I have been able to get, as of Apirl 5, 1954, is that 12 visas were granted in March under the act and 50 visas have been granted to date even including these 12. The Immigration and Naturalization Service has a record of only 8 arrivals under the act. It is expected that with the staff which is in the field and steadily moving into overseas positions, the optimum load, for example, will be the issuance of 150 visas a day in each consulate in Italy.

It is expected that 10,000 visas will have been granted under the act by the end of this fiscal year, June 30, 1954. This figure is revised from 15,000 which was the estimate a short time ago.

The aggregate number of United States civilian employees in field positions is expected to be from 480 to 490 by April 30, 1954. This is an expected increase from 299 as of April 2 and against a target of 697 by June 30, 1954.

By way of comparison with these results, the following are the figures with respect to the displaced persons law enacted in 1948 under which an aggregate of 337,224 displaced persons entered the United States. On August 12, 1948 the President appointed the Displaced Persons Commission under the law which was approved on June 25, 1948. By December 31, 1948, 3,415 visas had been issued under the Displaced Persons Act.

Appendix

Public Housing

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 13, 1954

Mr. BOLLING. Mr. Speaker, the speech by Charles E. Slusser, Commissioner of the Public Housing Administration, which follows, deserves the attention of both the friends and enemies of public housing. One need not agree with all that Commissioner Slusser says to recognize the good sense and fairness of the tone of his remarks.

SPEECH BY CHARLES E. SLUSSER, COMMISSIONER, PUBLIC HOUSING ADMINISTRATION, AT THE ANNUAL CONFERENCE MIDDLE ATLANTIC REGIONAL COUNCIL, NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS, FRIDAY, APRIL 2, 1954, MORNING SESSION, HOTEL NEW YORKER, NEW YORK

As you may have read in the papers lately, there is quite a housing project underway in Washington these days. Congress has been working on the President's housing bill—perhaps I should say, "working it over." And the question has been how many bundles of shingles should be ordered for the public housing roof. There has been a major difference of opinion on this. Some of our legislators are afraid that if we get enough shingles, we'll get the shingling habit—and that's dangerous. Some, even, would be pleased to permit us no shingles at all—because some day shingles will be cheap enough for the poorest slum dwellers to buy their own.

All of this arguing down in Washington convinces me that we who appreciate the function of public housing have failed to present our case as strongly as those who are trying to scuttle the program.

There's an old story about a countryman who went to a county fair and listened to a side-show artist imitate the squeal of a little pig. A large crowd applauded the performance, but the countryman thought it a poor imitation of the real thing. So, the next day he came back and offered to out perform the side-show artist. He opened his mouth and pretended to squeal, but the squeal was really produced by pinching a real little pig concealed behind him. The crowd was not impressed. The crowd preferred the side-show artist's cleverly delivered performance.

I think we who believe in public housing can profit by the moral of that story. Like the countryman, we have a genuine product for which there is no substitute at this time. It has demonstrated its effectiveness. We also have a bright promise that in 4 years we may have something better. I say, "bright promise," because we all look forward to the day when private industry can build decent housing—at a price the poorest families can pay.

Albert M. Cole, Administrator of the Housing and Home Finance Agency, pointed out recently: "We are losing the battle of the slums." I agree with him—and I've seen enough of slums to last a lifetime. And now, when the battle is joined, there are those who would have us throw away the best single weapon we have. And why? Because in a very few more years, conditions may be brought about that will give us a better weapon. This reasoning is about as disconcerting—to those fighting slums—as it would be to a soldier if in the middle of battle you took his gun away from him and told him to be of good cheer—an improved model is being designed—and if it can be produced at a profit, he'll be sure to get one. I am confident that the victims of slum conditions feel much the same.

How is it that such wide differences of opinion could develop? Where is the seat of the trouble? Frankly, I don't see this country as one divided between heroes and villains. I'm sure that the National Association of Real Estate Boards and the National Association of Home Builders are not baring their fangs and twitching their tails at the prospect of depriving our poorest of decent homes. And I'm equally confident that friends of public housing are not trying to sneak a camel into the private housing tent. I think the real villain of this not-so-comic opera is blind partisanship. Neither viewpoint has been presented dispassionately. Each has tried the smear technique with the result that neither the enemies nor the friends of public housing have convinced the American people of the facts in the case. I think this can be done, and I am going to try to do it. And the very first point I want to make is this: I believe that the basic intent on both sides is the public welfare.

I say this because I have been a real estate man, and I know the profession holds a deep faith in the workability and desirability of our free enterprise system. They believe—and rightly in my opinion—that no other system of government can produce so much and offer the same freedom and happiness to the individual. So it is quite understandable that they look with suspicion and resentment on the Government's activities in peacetime housing. They view it as a threat to private enterprise. They view it, at best, as a lion cub that should be picked up by the nape of the neck and thrown out now before it's too late. Certainly, their concern with safeguarding our American system is a good motive, but—I think they are unduly alarmed.

I think they can place full confidence in President Eisenhower's assurance in his housing message in which he said: "We believe that needed progress can best be met by full and effective utilization of our competitive economy with its vast resources for building and financing homes for our people." Believing this, the President nevertheless recognized the practical necessity for 140,000 units of public housing during the next 4 years. By that time, it is expected that our competitive economy can handle the job without help. There is nothing in this recommendation to excite any alarm. Yet, there has been an uproar. Fear, suspicion, greed, and do-goodism have become so many smoke pots that they have obscured the problem—with the result that like-minded people have been clinging together in a fog. It has produced an acute schizophrenia, known as "us guys" and "them guys." And human nature being what it is, people become twice as indignant when they have found somebody who agrees with them.

No wonder the public is confused.

It hears all this clamor and reasons that the loudest shouting must come from the greatest number. Then the next question becomes: "Who is causing all this rumpus?—and let's get rid of them." That is just about what has happened to public housing. Its friends have been out-shouted.

The facts, however, warrant a good, hard look at whether this Nation—trying to clean up its city slums—can afford to yield the best available weapon we now have for the fight on slums. Can we afford to weaken our present offensive in the hope of being able to launch a more desirable one, when and if, private housing can carry the entire load? Can not this transition—this desirable transition—be accomplished without losing more ground to slums in the meantime? Can't we keep our one principal weapon until we get another and test it?

You all know that the President appointed a 23-man committee headed by Albert M. Cole, Administrator of the Housing and Home Finance Agency, to make a thorough study of the entire housing problem last year. The committee explored the principal alternatives offered as substitutes for low-rent public housing and came to the conclusion that public housing should be continued. The President agreed and urged continuing the program at a rate of 35,000 units—"until other new programs have been fully tested and by actual performance have shown their success." In other words, the present administration—whose championship of our competitive economy cannot be doubted—urges the retention of the public housing weapon until it can be replaced by others that will do the job. The important thing here is that this recommendation is entirely consistent with a political philosophy that seeks maximum opportunity for private enterprise. It is consistent because it is an instrument for a specific and limited purpose— and only for so long as no proven substitute is available.

I have seen listed point by point the arguents against public housing. I have seen these in multicolored brochures—with dramatic typography and art work. They are written by experts in the use of disarmingly informal, down-to-earth English. You know the kind: "brief, concise, easy to read." Now, there is one thing these booklets have in common; they take an extremely dim view of federally aided low-rent public housing. In fact, these brochures are inclined to favor any other plan under any other name—just so long as the Federal Government does not itself undertake to build housing. They make such an open and shut case for the problem, it is a wonder the President's Advisory Committee found it desirable to make so long and so careful a study. It could be, however, the committee was not convinced by these "brief, concise, and easy to read" brochures. At least, the committee concluded that public housing still fills an important need.

This fear on the part of private builders and real estate men that federally aided public housing is creeping socialism is groundless. The late Senator Bob Taft was no Socialist, creeping or otherwise; yet he was well enough informed on the legitimate function of public housing to be one of its most earnest supporters. By the same token, I know personally two presidents of real-estate boards, both one-time vigorous opponents, who have—after an objective appraisal of the program—become public-

housing advocates. Like others who have studied the problem carefully, they realize there is no danger of the Federal Government edging over into territory being served properly by private enterprise. I underline that word "properly." It means decent, livable housing. It does not mean slum shacks that distill human misery into profits for slum landlords.

Let me make a strong point here. The people living in Federal public housing are those people who are making on the average just under $2,000 a year. We often are subject to criticism for allowing people making incomes twice that amount and more to live in our projects. These people are not living in Federal public housing. They may be in defense housing which was created for defense and war workers and which is largely temporary in nature. They may be in private enterprise housing projects or in city and State projects. But they are not in Federal public housing.

Even in the territory which you represent, where higher incomes permit higher admission limits, the higest income admission limit is $3,000. The average for the territory of our New York field office which you represent is $2,800. The average for the whole country, as I have said, is below $2,000, which is still lower.

One of the principal reasons we are confident there is no overlapping of interests is the requirement that there be a 20-percent differential in rents between federally aided public housing and the cheapest of proper private housing. This spread in rents is a no-man's land quite wide enough to guarantee against encroachment on legitimate private enterprise. It also is wide enough to provide private enterprise with the fullest opportunity to develop more modest homes and rents than it now furnishes. It is the strongest kind of challenge to private builders to produce cheaper—yet adequate—housing. Far from setting up a battleline between public housing and private housing, the Federal Government is inviting—urging—private builders to advance into this no-man's land. It is offering the assurance that with each advance, public housing will pull back, always leaving the 20-percent rent gap for safety and as a further incentive to private enterprise.

Let me give you a concrete example of how painstaking are the Government's efforts to avoid competition with private builders and renters. A housing authority of this area called on three reputable realtors to get the lowest prices for standard private dwelling units having 1, 2, 3, or more bedrooms. These were tabulated and the lowest figures for a substantial supply were accepted. The same was done with rentals for these categories, and the lowest rents were tabulated for units in substantial supply. Then the newspaper classified ads were studied to find the lowest sales and rentals, and inspections of the physical property were made to determine its adequacy. From this body of statistics, minimums were chosen—the lowest of the low prices or rents for each of the categories in which a substantial supply existed. With this for a standard, the housing authority rents were set at not less than 20 percent lower, and in most cases more. These rents were set as the public-housing maximums. Any family whose total gross income—including that of all members of the family—exceeded five times these maximum rents would be ineligible for tenancy in the public-housing project. It should be obvious even to our most prejudiced critics that with the resulting income limit set so low, these families could not conceivably be provided decent housing in the private market. In short, public housing will not accept potential customers for private housing that is fit to live in. Is that creeping socialism?

You who are friends of public housing should make these facts known—not simply back and forth to each other, but to people who don't understand this safeguard to our competitive economy. And in your spare time, it would be an excellent idea to argue the point with others whose judgment has been warped by groundless fears.

And while you're at it, you might also point out to these Don Quixotes whose lances are leveled at imaginary fears—this unappreciated fact. Public housing has marked the first step up from slums for hundreds of families. Our figures show that one out of every five families that graduate from public housing goes out to buy a new home. In other words, by building confidence and selfrespect in public housing tenants, we are making new customers for private industry. And remember: these families have been rescued from the despair, the sickness, and demoralization of slum life. We should refute with all our energy that unjustified criticism that public housing is intended as the end of the road for low-income American families. The average family now living in public housing has been a resident for less than 4 years, and a heartening number of graduates are able to take the final step to decent housing of their own.

In arguing the case for public housing, we must be careful to avoid considering it as an end in itself. It is only a means to an end—nor is it the only means to that end. As you well know, President Eisenhower called for a broad attack and a strong attack against blight—by every means that could be employed. Moreover, he wanted to be sure it was pressed forward with enough vigor to make it succeed. That is why the administration program has put up safeguards against half-heartedness on the part of communities. A workable plan must be presented and approved before Federal aid will be forthcoming—and the binding force of that plan must be a guaranty of steadfast determination to see the job through. Communities must take the lead—not simply organize for a handout—and once under way, there can be no stopping. Any less serious effort will fail.

In short, we are engaging a common enemy—slums. We are engaging them in mortal battle with all the force we can muster. Public housing is our right arm.

Department of Agriculture Appropriation Bill, 1955

SPEECH

OF

HON. GERALD R. FORD, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 12, 1954

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. FORD].

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, this amendment to a large extent is precisely the one I sponsored in the full Committee on Appropriations. It was defeated in the full committee. I think now as I did then that it is a justifiable amendment.

As the gentleman from Texas earlier said, we have just been marking up the Department of Defense appropriation bill. We had under consideration the request for approximately $1,200,000,000 for research for the Army, Navy, and Air Force. All three panels of that subcommittee had listened for some time to the Research and Development people for the Army, Navy, and Air Force.

As a layman I can say without any fear of contradiction that when you deal with research money and the projects involved you are dealing with a nebulous program. The witnesses who come before a committee on research cannot always pinpoint what path they are going to tread tomorrow and the results which will accrue. I suspect the same problems we have in the Army, Navy, and Air Force research take place in the research programs for agriculture. It is my feeling that this program, if approved as recommended by the President, will fundamentally and in the long run benefit the consumer as much as the farmer.

I know there will be some who will say that we cannot pinpoint precisely the areas where this additional $2 million will go, but I have done some checking, consulting with some of the members of this particular subcommittee, and believe there are individual projects which are worthwhile. I have a list in my hand of some of the areas where some of this additional $2 million will be expended.

For example, they informed me that it will result in an expanded research program for the control of diseases and pests of fruits and vegetables and other crops. This will result in increased yields and improved quality. There is some money anticipated to increase research on insecticide studies. There is a list here which I think will show that the benefit will accrue not only to the farmer but also to the consumer.

Let me say in conclusion that I approve of the action taken by the subcommittee on the Soil Conservation Service and other programs, but I think this additional $2 million is justified for research.

Justin Miller: Eminent Jurist, Great Broadcaster, and Outstanding Citizen

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 13, 1954

Mr. JOHNSON of California. Mr. Speaker, under leave to extend my remarks, I include a very interesting speech made by Arthur B. Church, president of stations KMBC—AM-TV—Kansas City, Mo., upon the retirement of Justin Miller as chairman of the board and general counsel of the Na-

Whereas the Communist Party presents a threat to the Government of the United States and to this State; and

Whereas there are now pending before the Congress of the United States bills which would outlaw the Communist Party: Now therefore

Resolved by the house of representatives, That the Members of the delegation in Congress from this State are hereby requested to give their active support to legislation which would outlaw the Communist Party in the United States and in this State; further

Resolved, That a copy of these resolutions be mailed to each Member of our delegation in Congress.

NORMAN A. MCMERKIN,
Speaker, House of Representatives.
RAYMOND H. CHASE,
Representative from Dover.
ROBERT L. STARK,
Clerk, House of Representatives.

Special session, 1954.

Department of Agriculture Appropriation Bill, 1955

SPEECH
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 12, 1954

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I commend very warmly the action of the subcommittee for the independence of thought which it has shown by making its own decisions and recommendations after long and careful study over many weeks—decisions and recommendations which were agreed in by the full committee. I think it is true that all too often, we, in the House feel we are tied to budget recommendations and that there is something sacred about them—that we cannot depart from them. Actually, they are nothing more than recommendations. The decisions in these matters is ours in the House of Representatives. That is the law. It is our responsibility to decide how much money is to be spent for each of the many governmental activities.

Obviously, research and extension are most desirable activities. There is no disposition on the part of any thinking person today to cripple them. We recognize their value, but I think we should recognize also the fact that the committee already has recommended that they be given more in this bill than they have ever received before. I think very probably they have been given as much as they can properly and intelligently spend.

By wisely adjusting the funds that are carried in the total appropriation, the committee has made it possible without increasing the total appropriation to provide for very important—and I think essential—activities like forestry. Certainly no one questions the value of the forestry programs. The committee has increased the school-lunch programs that certainly comes home to every one of us. It has strengthened the insect and disease control programs. All of these are very, very important, and all of them would have been hurt seriously and in some cases eliminated had this subcommittee not wisely and courageously taken the decision that it has. Mr. Chairman, I say we should not now add to the staggering burden of debt that this Nation carries without sounder and stronger justification than I think has been presented.

Now I want to go further and spell out the forestry problem in detail. Mr. Chairman, on several occasions in the past I have addressed the Congress concerning forestry. On some of those occasions I stressed the need of forest products for war purposes, and upon others I spoke of the need to build up our timber resources, whether it be for war or peace. I consider the proper use and development of our natural resources one of the best investments which this country can possibly make. For this reason my speech today has a particular significance because I was both shocked and surprised to learn that the budget as presented to the committee eliminated two important forest development activities and reduces a third which is also vital to the welfare of the United States. I refer to the items which permit the Forest Service to cooperate with the States in tree planting and forest management, which the Department of Agriculture sought to eliminate, and the reduction proposed in the item for cooperation in forest protection.. The committee in its wisdom has restored those cuts to the level of the previous year and I commend this action most highly.

This very month, in fact, this very day, many of our State foresters are fighting forest fires, planting trees, and helping small woodland owners put their properties under management. As the swift seasons roll, the activity in these forestry jobs in the northern States will increase.

During the past winter the forest fire problem has been a widespread and serious one. In my own State of Florida many fires have been out of control and new ones still are breaking out and spreading. During January, February, and March we experienced one of the worst fire periods that Florida has ever recorded. I have learned that the same situation obtained in Texas where in the first 2 months of this year the Texas Forest Service lost as much in burned forest as it did in the entire year of 1953. The most alarming situation, however, seems to be in Kentucky and West Virginia which already have had many forest fires and the States have run low in funds to provide for fire-fighting emergenices.

For 3 years the drought has caused an increasing dryness of our forests. This has resulted in a heavier burden on the protection forces. I am told that this drought may continue through 1955. As you know most States appropriate their fire funds for the biennium. The bad fire seasons just past have drained available funds alarmingly. There is every reason to believe that if the currently difficult situation continues many States will be unable to find the funds to overcome the emergency. Where will the fires next break out of control? That will depend upon weather conditions and upon how thinly we are forced to spread our fire-fighting forces. We are still in a drought cycle in the East and we may expect a continuation of the dangerous fire weather of the past three seasons. By "we" I mean the Federal and State governments in a pattern of cooperation and partnership that has grown steadily for over 40 years.

Why were these forestry items eliminated or cut in the administration's budget? Do those who have taken upon themselves the responsibility to propose these eliminations and cuts realize that they are dealing with functions which are provided by laws dating back to the Weeks Act of 1911 and the Clarke-McNary Act of 1924? In fact, in the Clarke-McNary Act the Secretary of Agriculture is, and I quote, "authorized and directed, under such conditions as he may determine to be fair and equitable in each State, to cooperate with appropriate officials of each State, and through them with private and other agencies therein, in the protection of timbered and forest-producing lands from fire."

As early as 1911, when the Weeks Act was passed, Connecticut, Maryland, Maine, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, Oregon, Vermont, and Wisconsin became partners with the Federal Government in forest protection. By 1924, with the added stimulus of the Clarke-McNary Act, the number of States cooperating rose to 28. Now it is 43, with only the 5 States which have minor timberland not in the program.

Cooperative agreements have been drawn up making the States and the Federal Government partners for each of the three functions—protection, tree planting, and management. These agreements, many of them dated in 1911 and now in force for over 40 years, are not to be taken lightly. They are the basis for an annual plan of work and a budget saying just what each party will do. In all fairness, however, no partnership of such long standing can be broken off without due consideration of the consequences.

As a member of the Appropriations Committee I am most concerned with every item in the budget and those provided for by the Congress which was omitted from the budget. My first impression concerning the elimination and cuts of these forestry items was that it must have been an error. Later, however, I was shocked to learn that without consulting the Congress the Department of Agriculture took the matter direct to the Governors.

This letter, which went out early in the year, stated, and I quote:

> Aside from the effect of reducing Federal expenditures, this policy of withdrawing the Federal Government from such activities is sound in itself.

The letter makes a plea for economy in order to cut out $1½ million in these forestry activities with the States. And yet the budget for the Department recommended many increases, one of $8 million. Such inconsistency encourages us to question the Department's judgment. Did the Department consult with any of us about the soundness of this policy of withdrawing the Federal Government from cooperation and partnership with the States? Surely it did not consult with me or the members of the agricultural subcommittee with whom I have talked, or with any of the State Foresters who could have advised it. I received a letter from the State Forester of Florida, who is greatly concerned, gentlemen, about the future of the Federal part of this Federal-State partnership and at the same time he is fighting forest fires in all parts of the State. With no feeling of unfriendliness toward our many tourists from other States whom we welcome wholeheartedly, I would like to point out that at this time, however, many of the fires in my State are accidentally caused by our out-of-State visitors. So you see that in my State as well as in other States these problems are not just of local origin. And yet the letter from the Department of Agriculture calls these problems local in character. I wonder what the reaction to that label "local in character" would have been not so long ago when the State Forester of Virginia and a gallant crew fought forest fires for days and nights along a 10-mile front on Virginia's southwestern boundary to keep fire from crossing over into his State.

For the record I would like to point out that eight former Secretaries of Agriculture, dating back to 1924 and the passage of the Clarke-McNary Act, were all heartily in favor of a Federal-State partnership in forestry. Not all of these former Secretaries of Agriculture were Democrats, and right here I would like to point out that these forestry activities are some of the best nonpartisan functions that I know of. A forest fire respects no State line and a well-planted tree will grow regardless of who planted it. Some of our greatest conservationists were and are Republicans—Theodore Roosevelt, Gifford Pinchot, Representative John Wingate Weeks, of Massachusetts, Representative John Davenport Clarke, of New York, and Senator Charles L. McNary, of Oregon.

Most of you will remember that for several years prior to World War II there was a joint committee of the Congress studying the need for forestry. This joint committee visited many parts of the United States, held open hearings, and took a great deal of testimony by people who were familiar with both the problems and the opportunities in forestry. In its report the joint committee stressed the value of these cooperative forestry programs and the need for increasing them. See recommendations Nos. 1, 3, and 4 of Forest Lands of the United States, Senate Document No. 32, 77th Congress, 1st session, March 24, 1941.

Most of us remember clearly that in 1949 when the Congress considered the amplification of the Clarke-McNary Act, there were 28 different bills introduced and that 27 Congressmen made personal appearances before the legislative committee and, in addition, 58 Congressmen filed statements in favor of this cooperative State-Federal forestry partnership. I mention this to indicate the popularity of these activities, not only to the people in the States but to their chosen representatives in Congress.

The present popularity of this partnership has evolved over the past 40 years in which Congress has painstakingly perfected these cooperative programs, and many important changes over the years have been made, with the result that greater effectiveness and efficiency have been achieved for every dollar expended. Some of these improvements include the changing over from direct-line Federal responsibility to the State-Federal partnership; the changing from duplicate bookkeeping to a single budget and plan with the reimbursement-type financing; and the coordination of these cooperative programs with other strictly State or Federal activities.

Congress should be proud that our State partners think so much of these cooperative programs that they are putting up more than three times as much money as the Federal Government. This is surely stretching the Federal dollar to the utmost. This successful cooperative partnership has been a good financial investment for the Federal Government and surely not one to be abandoned impulsively at this time.

I am wondering if those responsible for the proposed eliminations and reductions in these forestry activities in the budget considered whether or not all or most of the States could or would go forward in forest protection, tree planting, and management if the Federal partner dropped out. How can the State find new money before July 1? Only 14 States have legislatures meeting this year. I understand that the State foresters made an urgent request to the Bureau of the Budget for a cost-of-living increase of $2 million. They had had no increase in Federal funds since 1950, and the cost of fighting forest fires, like everything else, has gone up. The fire truck that cost $1,760 in 1950 now costs $2,128. In the cooperative management program, for example, many projects will be abandoned if no Federal money is available after July 1, 1954, when the new fiscal year starts. How many projects I have no way of estimating but I would like to know, and I think the Congress has the right to know. What will happen to our tree-planting program without the Federal partnership? Of course, some States will go right on growing and planting a lot of trees, but the annual report of the tree-planting program indicates that 26 States are lagging and planting only 4 percent of the national total. If anyone has a workable plan to show us how to get better protection, more trees, and more technical assistance with less Federal participation, while more people than ever are using the woods and dependent upon them for forest products, water, and recreation, let him present his plan to Congress and I am sure it will be thoroughly studied.

The only indication I can find of some such plan is the inference in Department's letter to the Governors that research and education will do the job. I am heartily in favor of both research and education. A review of my previous speeches to the Congress will show that I was active in the expansion of research facilities. In fact, in my district the Forest Service is doing some remarkable research work in forestry and I am proud of it. Also, I think our educational efforts should be greatly increased. With just research to discover new methods and education to tell people about them, however, the third leg of the stool is missing, and the stool will fall of its own weight. Of what value would be such a program in forestry without adequate provision for protection, planting, and technical assistance. This is especially true in a field as technical as forestry. If any landowner thinks that by a trip to an experiment station or by reading a bulletin he can protect, develop, and manage a woodland, he is in for a bit of disappointment. In fact, the woodland he might mismanage could be ruined beyond repair for 50 years. If it were that easy there would not be over 4,000 students taking the 4-year forestry courses in our well-developed and accredited 25 forestry colleges throughout the Nation.

I submit that we need national programs in forestry just as we need Federal roads. The citizen of New York City in many ways, such as in the purchase of a newspaper, is affected by the situation in our forest lands in Louisiana and Oregon; the delta farmer in Mississippi is vitally concerned with the condition of the forest cover on the mountains in Montana and Wyoming, the source of the water in the Mississippi River. The Nation needs well managed forests in time of both peace and war. If there is any idea of cutting out these forestry programs now, putting them on the shelf, and reviving them as public works programs in the event of a depression, do not be misled by such folly. Admittedly these are excellent programs in a depression. They provide a lot of useful and beneficial work, but these activities cannot be turned off and on like spigots of water. If we destroy efficient firefighting organizations, we must remember that they cannot be rebuilt and trained overnight. If we shut down the tree nurseries, it will take several years to expand them again because, as indicated by World War II curtailment, several years are needed to get soil in condition, to secure seed, and to grow seedlings. If the technical foresters handling the cooperative management program and providing the on-the-ground service needed are discharged by the elimination of Federal funds, we will lose many years of valuable experience even if at some later date we hire replacements.

In these days of our concern with the appropriation and expenditure of billions of dollars, the small amount involved

here, $1½ million dollars, may give some people the idea that we are dealing with trivia. In case such an erroneous impression is made, let me correct it immediately. These cooperative forestry activities are dealing with 427 million acres of State and private forestry land. They are striving to give all of this land protection, although in spite of steady progress we still have 58 million acres which lie outside the boundaries of organized protection units. Also, I should add that where we do have organized protection units, the forces are spread so thinly that tremendous losses have occurred in the past and might occur at any time in the future.

If anyone thinks that I am unduly alarmed, he should remember the fire disasters in Maine in 1948 and in Kentucky, West Virginia, Tennessee, and New Hampshire in 1952 and 1953. When the next forest fire disaster hits, gentlemen, wherever it may occur, we should be certain that the best organization and equipment are at hand to meet the emergency. We should not find ourselves empty handed with the excuse that the policy had been changed. As long as the Clarke-McNary Law of 1924 and the Cooperative Management Act of 1950 are in force the Congress directs the Secretary of Agriculture to join forces with the States in protection, planting, and managing the forests. No commander can delegate his responsibility.

There is still a big job to be done in these forestry programs. In 1950 the total estimate of the job to be done in fire protection exceeded $48 million. The latest figures available show that expenditures of all States have now reached $37 million including Federal funds. The additional $11 million is needed for the expansion of organizations to unprotected areas and for bolstering forces wherever they are weak. I do not believe that Congress should agree to curtail the Federal participation.

We have just begun large scale tree planting in this country. Our annual report shows that we are now planting at the rate of 715,000 acres per year. If anyone should feel complacent, however, let me remind him that we have more than 60 million acres of idle forest land which should be producing wealth for both the people and the Nation. At our present increased rate of planting it will take us 75 years to do the job. I do not think that Congress believes that we should wait 75 years to do this job and put these idle acres of forest land to work.

In the field of technical forestry assistance let me remind the Congress, as I have done before, that we have 4¼ million small woodland owners. These small woodland owners need technical forestry assistance on the ground. The only practical, time-tested way of helping them is to send a forester to work with them and get them started. You cannot just give them a bulletin; it simply will not work. The bulletin will create their interest and be helpful, but the technical forester is needed to get the landowner started in the right direction. I believe that Congress would wish to continue its encouragement to the State foresters to make these technical foresters available to woodland owners.

In conclusion, I ask the Members of this Congress to consider the opportunities in the cooperative partnership of the States and the Federal Government in forest protection, tree planting, and management. These activities must be continued; in fact, they should be expanded. Under no circumstances can we permit their elimination or curtailment.

I am happy that after due deliberation the Subcommittee on Appropriations for Agriculture recommended that these forestry items be restored in the budget. Mr. H. CARL ANDERSEN and Mr. WHITTEN and other members of this committee are to be congratulated for their judgment and I urge you to accept their recommendations. Your decision to restore the cuts in forestry will enable our Nation to continue our time-tested partnership with the States in the development of our forests.

Foreign-Trade Losses

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 13, 1954

Mr. JONES of Alabama. Mr. Speaker, I am very glad to insert in the RECORD a most outstanding article which appeared in the April issue of the Progressive Farmer. It was written by our distinguished colleague from Mississippi, Hon. FRANK E. SMITH, who is an authority on the subject of foreign trade.

The article follows:

WAKE UP SOUTHERN FARMERS, FOREIGN-TRADE LOSSES HURT YOU

(By FRANK E. SMITH, Member of Congress, Third Mississippi District)

Historically, southern farmers have depended upon foreign markets to absorb a major share of their crops. Down through the years, southerners have led the fight for expanded foreign trade. The issue is not, however, sectional. An important part of all American farm production must be sold abroad to provide adequate returns to the American producer. As an example, agricultural exports from this country in 1951 represented the production of an area equal to all the farmland in Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Tennessee, and Kentucky. In normal export years, more than 45 million acres are required to produce the cotton and wheat needed for our export market.

A major share of these farm exports consists of crops raised mainly in the South—cotton, tobacco, and rice, in particular. Wheat is the chief crop outside the South which accounts for a large slice of exports. Even wheat production is rapidly expanding in the South today. Soybeans, lard, oranges, and apples are other southern commodities interested in an export market.

Export markets are not an economic accident. Perhaps no portion of the national market place is so much subject to the influence and control of Government policy through tariffs, quotas, and international monetary policy. In the most part, southern farmers in the past have been quick to react against governmental policies and programs which restrict foreign trade and otherwise impede the free flow of commerce through world markets. The famous Nullification Act of South Carolina was an instrument which John C. Calhoun used to dramatize the southern protest against the Tariff of Abominations more than 120 years ago. Southern farmers through the years have recognized high tariffs as an instrument to reduce the market for their products while increasing the price of goods they must buy domestically.

In addition to the immediate export market, progressive farmers realize that expanding foreign trade is one of the most effective ways of promoting continued high employment in industrial areas. This is still the major market for American farmers.

Since the end of World War II, a major portion of our agricultural export market has been subsidized by economic-aid programs which our Government has carried on as part of its general anti-Communist effort. Today economic aid is being eliminated, with virtually all foreign-aid funds going into direct military assistance. The result is evident in the decline of American commodity exports during the past year—at a level averaging about 40 percent. Cotton exports have dropped more than 50 percent.

The reciprocal trade program pioneered by Cordell Hull has been allowed to continue but with restrictive amendments designed to block its basic purpose—agreements for the reduction of tariffs on a basis of reciprocity between nations. In 1953 the Congress extended the reciprocal trade law only after President Eisenhower had promised that no tariff reductions would be negotiated under the authority granted in the program. Strangulation of the reciprocal trade program is a symptom of other trade barriers which have been allowed to grow unchecked. More rigid interpretations have been given to the "Buy American" law. It is virtually impossible for foreign firms to bid on Government contracts unless they can meet a 25-percent differential in addition to the normal tariff protection accorded domestic bidders. This law also penalizes American taxpayers something like one-half billion dollars each year in extra, added costs for Government purchases.

Archaic customs regulations have been allowed to grow even more cumbersome and burdensome with redtape. These further discourage development of a healthy import business. Little encouragement has been given private business to invest abroad as a means of increasing the dollar supply available to other countries to buy our products.

All of these developments have been allowed to grow without any clarion call of protest from the American farmer. Yet he is the one who is feeling the results directly in his pocketbook. The southern tobacco and cotton grower has been very inarticulate while protective policies designed to benefit small pressure groups have helped bring about losses of millions of dollars to southern farmers through reduced prices. Southerners seem to have totally forgotten the bitter lessons of the past.

As a result of this loss of our export markets, huge wheat and cotton surpluses have been piled up. These surpluses have made necessary acreage controls on these crops in 1954. The diverted acreage will in most cases be used to produce other crops which will contribute to new surpluses. Is this the most sensible policy for the United States to follow? There are still millions of potential customers for food and clothing throughout the world.

The various new barriers against expanding foreign trade established in the past few years have come into being largely because they have been overlooked or misunderstood by the American farmer—who has the most to lose from them. Farmers have unthinkingly accepted legislation to virtually bar the

import of cheese from Europe. This has been for the real benefit of only a few hundred cheese processors, and to the disadvantage of hundreds of thousands of farmers. Other special protective devices have been set up for many small fragmentary producer groups at the expense of the major part of our farm population.

Tariff barriers are not purely a one-sided affair. Many other countries within our normal circle of customers are among the grave offenders. There can be no universal reduction, however, unless we take affirmative leadership in pushing for reduction through effective use of programs like the reciprocal trade agreements.

The Reciprocal Trade Agreements Act will come up for extension again in this session of Congress. The extension, without crippling amendments, can be made only with a hard fight. Unless farmers take the lead in arousing congressional opinion, they are likely to receive another blow in the pocketbook. Any single concession of Congress to the protectionist idea will, in the long run, prove costly to agriculture.

The trade issue is, however, bigger by far than a matter of economic benefits to the American farmer. It must be resolved successfully if our overall foreign trade policy is to succeed in the effort to keep the free world mobilized and unified against Communist aggression. Soviet rulers have made it clear that one of the basic tenets of Soviet policy will be to stir up dissension in the free world through trade rivalry. The Communists have already made great progress along that line.

The current disputes over trade with Communist countries are proof. The issue will become even more acute as countries like Japan attempt to establish a self-sufficient economy without American subsidy. The Japanese have traditionally had a large export market in Asia. American policy today is to deny this market where it benefits Communist China or other areas dominated by Soviet Russia. If we deny this traditional trade to Japan, we must either offer them the opportunity for American markets or pay for the difference out of our pockets.

The situation in Japan is typical of that of many other countries that we are working to keep outside the Soviet orbit. Only if these nations are able to earn their own way through competitive business under a free enterprise market can we expect to reduce the cost of American security. Until that reduction in cost comes, the American people can expect to be faced with high military expenditures, high taxes, and unbalanced budgets.

The crucial decision as to whether effective American leadership will be provided in the battle to eliminate world trade barriers must actually be made by the Congress this year. President Eisenhower's Commission to study the trade issue has made its report. The southern farmer who has more at stake in this fight than any citizen from any other American group should make his position clear.

A Poison in Our Affairs

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1954

Mr. MULTER. Mr. Speaker, the following editorial entitled "A Poison in Our Affairs," which appeared in the New York Herald Tribune of April 8, 1954, speaks volumes:

A POISON IN OUR AFFAIRS

Many who heard and saw Senator McCarthy's reply to Edward R. Murrow on their TV sets Tuesday evening felt themselves almost physically in the presence of something so hostile to our normal freedoms of thought and debate as to constitute a far greater peril than any from which McCarthy's efforts have ever in fact preserved us.

The Senator did not attempt to reply to the Murrow criticisms; instead, he turned to crush the man who had criticized and disagreed with him under an insinuation that the critic is a Communist, has acted from pro-Communist motives, and in the service of Communist conspiracy, is the "leader of the jackal pack." But it is not the charge alone which was appalling. It was the fact that it was delivered without any substantiation whatever; it was built up by a skillful process of outrageous insinuation, emotional juxtapositions, frequently obvious misrepresentations, and what, in some cases, would seem to have been simple fabrication, as in the unsupported statement that the H-bomb was held up for 18 months, which is something of which no one, not even the President of the United States, had ever heard before.

The entire effort was a demonstration of why McCarthyism has seemed to so many so dangerous a poison in our affairs. These are the means whereby the Senator has terrorized men in high places and low, including the now frightened and fumbling Senators and their committees; these are the means whereby he "proves" his reckless charges and tramples over the rights and dignity of everyone, whether Communist or not, whose victimization will serve his interests. These are the concepts of reason, fairness, and justice which he has introduced into the sufficiently difficult problem of dealing with the real (as opposed to the imaginary) dangers of domestic communism. After that vivid demonstration it was not surprising that the President should declare without hesitation that Mr. Murrow was his friend.

Congressman Doyle Urges Colleagues To Encourage Citizens To Exercise Voting Privilege and Responsibility in Coming Elections

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 15, 1954

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I make these few extemporaneous remarks about the privilege and duty of participation in American voting processes, and the danger to our beloved Nation if the majority of American citizens do not perform that duty. We as Congressmen can render a fine service in this regard.

Just so long as the majority of the American adulthood become informed and stay well informed, about the affairs of our Nation and in their respective local communities "from the grassroots up," just that long, will our great Nation be strengthening its sinews from day to day. Mr. Speaker, only so long as an increasing majority of the American people participate in shaping their own destiny and the destiny of this Nation by exercising their choice of men and measures at the ballot box, only that long will our constitutional form of government endure. For, it appears as clear as crystal to me that the secret of strength to our American way of life and living is that the clear thinking, patriotic, humble folks of our beloved Nation shall participate individually in making our democracy work at the grassroots of American citizenship.

It is self-evident, therefore, that the voting habits of Americans must be conscientiously shaped by Americans so as to assume the responsibilities of American citizenship. And this very American citizenship assumes the obligation to register for voting and then to actually vote in local, State, and National elections. We Americans must stop being careless in this regard. We must stop being slothful about this voting business. We must systematically work to destroy the citizen apathy toward our election processes which apathy, if extended very much more, will permanently weaken the very foundations of our American constitutional way of life. Truly a minority of the American people must never be charged with the responsibility of determining the destiny of America.

So, I vigorously urge that you and I as United States Congressmen, do our dead-level best to systematically and very determinedly urge every possible qualified person to register to vote—and then to vote at primary elections in their respective States and then later at the November general election.

Looking back at the 1952 elections the record indicates that only 1 out of 2 persons of voting age took time to cast a ballot for President of the United States, while in 1940 nearly 2 voters out of every 3 voted in said election.

I do not now have the time to give statistics. In fact, that is not the purpose of these informal comments. If there is a higher privilege in our American citizenship than the right to vote in a free election, what is it? And, where is there a higher obligation of American citizenship than to vote in our free elections? Is it not a fact that upon our American right to vote at free elections the very foundation of our system of self-government exists?

Mr. Speaker, in these few words I again urge every Member of this great legislative body to be more diligent than ever, in encouraging and informing our electorate, regardless of political party, of the privilege and duty of the American free vote.

In closing, I incorporate a letter, dated March 26, 1954, from the Library of Congress on this subect. Some day later I hope to make further comment, including the matter of making sure that Americans abroad in the military or civilian service also vote. All States should make it so they can do so. There is need of fundamental correction of some of our State election laws in this connection.

The letter follows:

tion of Resolution 58. For your consideration we present the following salient points:

1. The Soviet rulers have always attempted and are still attempting to prove that the Western World (including the United States) has only colonial designs upon Ukraine and Byelorussia. In support of this thesis they constantly reiterate that Western powers come to Ukraine only to take over the land and enslave the people e. g., the German occupation of 1918; the hostile attitude of the Allies toward the newly formed Ukrainian Government in 1918–19 (incidentally this attitude on the part of the Allies was instrumental in pushing the reawakening masses right into the arms of bolshevism); the occupation of Ukraine by Germany during the Second World War.

Soviet propaganda continually reminds the Ukrainian and Byelorussian people, who have experienced German occupation on two occasions, that the threat of such an occupation still exists. This time, however, according to Soviet propaganda, the threat emanates directly from the United States or some other power specifically delegated to do that job on behalf of the United States. The Soviets are able to instill fear in certain segments of the population by these threats of imminent disaster inasmuch as the people, being completely isolated from the West, are unable to make fine distinctions between the nations of the West all of whom are dubbed by the Kremlin masters as "capitalistic imperialists."

In order to overcome such fears and suspicions on the part of the people of Ukraine and Byelorussia, more than mere words is now required. The establishment of diplomatic relations with these two nations will provide the best means of proving to their peoples that the United States has no hostile designs but, on the contrary, is willing to accept them as worthy of recognition by the leading power of the democratic world.

2. Soviet propaganda contrasts conditions in the "enslaved capitalist world" with those within their own union which they claim to be composed of separate and sovereign nations all of which have equal rights (including the right of secession under article 17 of the Constitution of the U. S. S. R.). Soviet propaganda claims that under their system there are no backward peoples or nations. They are especially diligent in emphasizing the importance of Ukraine and Byelorussia as nations which have made most significant progress under Soviet conditions (the fervent repetition of this theme is probably dictated by the continued leanings of the peoples of these two nations toward the West and democracy). This motive was an integral part of Beria's speech at the 19th party congress in October 1952 wherein he expressed the political and economic importance of Ukraine. The course then initiated has not been changed by the Kremlin and continues to the present day, to wit:

(a) L. H. Melnikov was removed from the position of secretary of the Communist Party of Ukraine (a position of virtual dictator of Ukraine) in June 1953 for his policy of russification.

(b) The celebration of the 300th anniversary of the Pereyaslav Treaty has as its objective proving to the people of Ukraine that the only unhampered path for their full development lies in union with Russia. In this connection the Ukrainians are now in 1954 being spuriously offered a coequal place with the Russians in sharing the might and power of the Soviet Union.

(c) The recent Kremlin move of ceding the Crimea to the Ukrainian S. S. R. is undoubtedly intended to prove the good faith of the Soviet masters toward Ukraine.

Such powerful moves and arguments, advanced by the Kremlin in order to keep Ukraine satisfied and thus separated from the West, require immediate and powerful counteraction on the part of the West and the United States in particular. No more powerful argument could be forthcoming than acceptance of Ukraine and Byelorussia into the comity of nations. By such an act the West would discontinue its treatment of them as second-rate vassals of Russia. Full recognition with an exchange of envoys is the only possible answer to this acute problem.

3. Any possible allegation that the exchange of envoys between the United States and Ukraine and Byelorussia could be interpreted as a desire to interfere in the internal affairs of the U. S. S. R. is not only absurd, but clearly contrary to accepted rules of international law. Leaving aside the purely incidental fact that it is Russia's system which is based on interference in the affairs of other nations through the Comintern, Cominform, and by other devious methods, it is a fact that the United States have already granted Ukraine and Byelorussia de jure recognition by voting affirmatively for their admission to membership in the United Nations in 1945.

Again, in conclusion, we would like to express our appreciation for your efforts in behalf of the Ukrainian nation which we believe can, if given the opportunity, play a much more important role in the anti-Communist struggle.

Sincerely yours,

OMELAN ANTONOVYCH,
Chairman, Ukrainian Association of Washington, D. C.

Department of Agriculture Appropriation Bill, 1955

EXTENSION OF REMARKS
OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 13, 1954

Mr. COOLEY. Mr. Speaker, I hope very much that when the final vote is taken tomorrow on the amendment now pending, which would provide for an increase in the appropriation of agricultural research, that the amendment will be adopted and approved. This amendment is compatible with the views of the President, the Secretary of Agriculture, farm leaders, and farmers throughout the Nation. It is also supported by those who are responsible for conducting the much-needed research and demonstrations on both the production and utilization of agricultural commodities and all related research and services. Those in charge of the program in the State of North Carolina have done and are doing a magnificent and very worthwhile job, and, as I have heretofore pointed out, North Carolina has more than matched all Federal appropriations for agricultural research and education and is now anxious to embark on an expanding program.

The fact that some States are not ready, able, and willing to go forward with an expanded program certainly should not prevent an expansion of the programs in the States which are now well prepared and eager to carry on and to expand these great activities of Government.

Someone said in the debate yesterday that many States were not prepared to expand programs or to profitably spend additional funds. The question was asked how would the additional funds be spent. I take great pleasure in advising Members of this House concerning the agricultural research program in the State of North Carolina.

We have numerous experiment stations engaged in various types of essential agricultural research, all dealing with vital problems of agriculture. Sixteen branch experiment stations are located in strategic parts of our great State. In some of these stations, extensive study is made of a single commodity, such as tobacco, peanuts, peaches, apples, and so forth, while others deal with a combination of commodities, such as small grains, field crops, cotton, dairy cattle, and beef cattle, and forage crops, which are the principal commodities studied in one station, while a combination of vegetables, bulbs, flowers, and small fruits are studied at another. Still another station combines the study of beef cattle, sheep, burley tobacco, and forage crops.

Federal grant appropriations to the State experiment stations are, I understand, apportioned by a formula which takes into account rural and farm population. For each additional $1 million appropriated as a grant to the States for agricultural research, my own State of North Carolina would receive $31,120 directly for use on projects selected by the experiment station. In addition, the State would participate actively in the regional research program, undertaking a reasonable share of responsibility for projects of regional significance selected jointly by the experiment stations of the southern region and financed in part by the 25 percent grant, which I understand is reserved to support regional research projects.

While the officials in charge of the program in North Carolina have always attempted to allocate the available funds to insure maximum return in service to all the major segments of the State's agriculture, they are of the opinion that at present the following fields are those which need additional strengthening, through the medium of additional funds, in the immediate future:

First. Mechanization and improvement in the labor efficiency in production, harvesting and curing tobacco.

Second. Animal diseases and parasites.

Third. Marketing of farm products, with special emphasis on dairy products, livestock, poultry, and grain.

Fourth. Supplemental irrigation.

Fifth. Home economics.

Sixth. Soil microbiology.

Seventh. Ornamental horticulture.

Eighth. Forage crops production and preservation.

Ninth. Additional support and improvement in field facilities for projects in such fields as chemical weed control, crop stands, poultry diseases, nematode control. control of field crop insects, farm management, and management of pesticide residues which have been initiated under personnel employed on "nickels-for-know-how funds."

Tenth. Plant and animal genetics.

I urge my colleagues to consider very carefully the importance of the votes that will be taken in this House tomorrow.

Special Privilege Seekers and Their Puppets Cause the People Great Loss and Suffering

SPEECH
OF
HON. ROBERT CROSSER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 8, 1954

Mr. CROSSER. Mr. Speaker, 2 years ago, throughout the country there was dinned into the ears of the people, the political slogan: "Time for a change." Unfortunately, many honest folks yielded to the suggestion, and we have had the change. What a change. We cannot take time to discuss even briefly all the harmful effects resulting from that change.

Among those most harmful to the people are the many measures which have given to special privilege seekers great portions of the people's heritage—that is, the natural resources necessary for the support of the people.

During the last administration, a bill to limit the Federal Power Commission's authority to regulate the price of gas received only two majority in the House, and was then vetoed by President Truman. The same kind of bill, making even a worse surrender to the gas interests, was passed early during this Congress, and signed by President Eisenhower. The people will surely pay for this. In metropolitan Cleveland, for example, 72 percent of the population use gas for heating their homes. You may be sure that local distributors will find it necessary sooner or later to increase the retail price of gas in order to meet the outrageous charges by those who monopolize the gas fields.

The worst of all the giveaway laws of the present administration is, however, the measure which gave to the States control of all the tidal oil lands. Millions of acres of such oil lands were included in the giveaway measures.

During the last administration I made a speech against a bill which would limit the Federal Power Commission's authority to require reasonable rates for the purchasers of gas. President Truman vetoed the bill. Early in this present Congress, two bills of the same general kind were passed by Congress and were signed by President Eisenhower. One of these bills gives away the oil lands, and the other takes away from the Federal Power Commission, real power to assure by regulation fair prices to the people. We who fought the passage of the bills warned that the States would let the oil companies have the oil for a trifle. Well, what has happened to the oil lands handed to the States by this administration's giveaway law?

The State of Florida has leased to the Coastal Petroleum Co. oil lands reaching from Marko Island to Apalachicola. More than 4 million acres of oil lands have been leased to that 1 company, which must pay only 1 cent an acre a year to the State under the lease. This deal will enable the company to accumulate fabulous amounts of wealth representing no effort by the company in the way of mental or physical labor. A desperate effort is also being made to have the Government grant to private interests, a monopoly of the valuable waterpower which belongs to the people.

Everyone remembers also, I am sure, the glowing promise of tax reduction which accompanied the wailing slogan: "Time for a change." Now what have they done to carry out that promise? Well, when the subject came before the House recently the administration spokesmen proposed a reduction in taxes heretofore paid on incomes received as dividends. The Democratic members of the committee showed that, if individual exemptions were increased from $600 to $700, it would result in taking 7 million people off the income-tax list altogether. Those 7 million people would then pay no tax at all, and the increase of exemptions from $600 to $700 would cause $2,300,000,000 to remain in the hands of the 7 million taxpayers. With this $2,300,000,000 the 7 million taxpayers could then buy goods which they now cannot purchase. That would increase the business of the retail merchants. The retail merchants could then buy more from the producers and manufacturers, and cause the re-employment by producers and manufacturers of many people who have been out of work.

This reasonable and fair way of helping the small-income people was turned down by the administration forces in the House who were assisted by a few half-hearted members of the minority party. Now, my friends, there has already been pointed out enough to show the great harm caused by listening to the cheap slogan: "Time for a change."

There was substantially no unemployment 2 years ago. Today, however, there are 5 million people who are not employed and you know what that means to the families of these 5 million persons.

To conclude my discussion, let me say in all earnestness, that after a lifetime study of political science and political economy, I am convinced that today our people are faced by more powerful forces of special privilege than has ever before existed in our country, and they have received for a mere trifle enormous values as a result of the present administration's handing them our natural resources.

Monopoly takes from the people the benefits which are their birthrights, and denies to millions and millions all but a bare existence.

My friends, great duty's call is loud and clear to all who understand the cause of the unjust distribution of wealth. They must perform their solemn duty to use the talent entrusted to them by the Master, by opposing in every way the special-privilege crowd and the evil system which impoverishes millions of people and causes untold misery. The true law of life, the law of the ever-existing perfect government, demands that there be no surrender by the earnest supporters of the right to the self-seeking special-privilege crowd and their actors. There must be no surrender of the God-given rights of the people to the special-privilege seekers. Those who earnestly work to uphold the right will not be turned from their duty by any yearning desire for either material wealth or empty titles. The still small voice will guide upholders of right in their earnest effort to end forever the unjust and cruel system of special privilege which has plagued the world throughout the ages.

The duty of every right-thinking person is well illustrated in the lines from the Bridge Builder, which I quote as follows:

An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast, and deep, and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
"Old man," said a fellow pilgrim, near,
You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide,
Why build you the bridge at the eventide?"

The builder lifted his old gray head:
"Good friend, in the path I have come," he said,
"There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fairhaired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him."

A Salute to the Frozen-Food Industry

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 14, 1954

Mr. TOLLEFSON. Mr. Speaker, as acting chairman of the House Committee on Merchant Marine and Fisheries, I want to join in commending the frozen food industry on this its 25th anniversary.

It was in 1929 that the frozen food industry was founded and pioneered by Birds Eye. It is interesting to note that fishery products have played a most important part in the growth of this great frozen food industry.

Until commercial freezing was developed, the great sources of the oceans were only available to those who lived on its coasts. With the exception of canned or cured fish, the peoples of the inland States rarely had an opportunity to enjoy fillets from New England, shrimp from the gulf or halibut from the Northwest.

In 1922 the consumption of frozen fish and shellfish was about 75 million pounds, or two-thirds of a pound per capita; last year the total was over 500 million pounds, over 3 pounds per capita, a five-fold increase in just over 30 years.

83D CONGRESS
2D SESSION

H. R. 8779

IN THE SENATE OF THE UNITED STATES

APRIL 15 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture for the fiscal year ending June 30, 1955,
6 namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural re-
6 search relating to production and utilization, to control and
7 eradicate insect pests and plant and animal diseases, and to
8 perform related inspection, quarantine and regulatory work,
9 and meat inspection: *Provided,* That not to exceed $15,000
10 of the appropriations hereunder shall be available for em-
11 ployment pursuant to the second sentence of section 706 (a)
12 of the Organic Act of 1944 (5 U. S. C. 574), as amended
13 by section 15 of the Act of August 2, 1946 (5 U. S. C.
14 55a): *Provided further,* That appropriations hereunder
15 shall be available for the operation and maintenance of air-
16 craft and the purchase (for emergency replacement only)
17 of not to exceed one, and the construction, alteration, and
18 repair of buildings and improvements, but unless otherwise
19 provided, the cost of constructing any one building (except
20 headhouses connecting greenhouses) shall not exceed
21 $7,500 and the cost of altering any one building during the
22 fiscal year shall not exceed $3,750 or two per centum of
23 the cost of the building, whichever is greater:

24 Research: For research and demonstrations on the pro-
25 duction and utilization of agricultural products, and related

1 research and services, including administration of payments
2 to State Agricultural Experiment Stations; $35,353,000, of
3 which not to exceed $20,000 shall be available for the con-
4 struction of an office and a laboratory building at the South-
5 eastern Tidewater Field Station, Fleming, Georgia, and of
6 which not to exceed $28,000 shall be available for the con-
7 struction or acquisition of the necessary lands and buildings
8 for a pecan research laboratory at Albany, Georgia.

9 Plant and animal disease and pest control: For opera-
10 tions and measures to control and eradicate insect pests and
11 plant and animal diseases and for carrying out assigned
12 inspection, quarantine and regulatory activities, as author-
13 ized by law; $17,461,380, of which $400,000 shall be ap-
14 portioned for use pursuant to section 3679 of the Revised
15 Statutes, as amended, for the control of outbreaks of insects
16 and plant diseases under the joint resolution approved May
17 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to
18 meet emergency conditions: *Provided further,* That no part
19 of this appropriation shall be used to pay the cost or value
20 of trees, farm animals, farm crops, or other property injured
21 or destroyed as a result of plant insect and disease control
22 activities except potatoes and tomatoes as authorized under
23 the Golden Nematode Act: *Provided further,* That, in the
24 discretion of the Secretary, no part of this appropriation shall
25 be expended for the control of sweetpotato weevil in any State

1 until such State has provided cooperation necessary to
2 accomplish this purpose, or for barberry eradication until
3 a sum or sums at least equal to such expenditures shall have
4 been made available by States, counties, or local authorities,
5 or by individuals or organizations for the accomplishment
6 of this purpose, or with respect to the golden nematode except
7 as prescribed in section 4 of the Golden Nematode Act.

8 Meat inspection: For carrying out the provisions of laws
9 relating to Federal inspection of meat and meat-food prod-
10 ucts; $14,190,000.

11 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

12 For payments to the States, Hawaii, Alaska, and Puerto
13 Rico to be paid quarterly in advance where applicable, to
14 carry into effect the provisions of the following Acts relating
15 to agricultural experiment stations:

16 Hatch Act, the Act approved March 2, 1887 (7
17 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams
18 Act, the Act approved March 16, 1906 (7 U. S. C. 369),
19 $720,000; Purnell Act, the Act approved February 24, 1925
20 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382),
21 $2,880,000; Bankhead-Jones Act, title I of the Act ap-
22 proved June 29, 1935 (7 U. S. C. 427–427g), sections 3
23 and 5, $2,863,708, and sections 9 and 11 of said Act as
24 added by the Act of August 14, 1946 (7 U. S. C. 427h,
25 427j), including administration by the Office of Experiment

1 Stations in the United States Department of Agriculture,
2 $11,500,000, no part of which latter amount shall
3 be used for beginning construction of any building
4 costing in excess of $15,000; Hawaii, the Act approved
5 May 16, 1928 (7 U. S. C. 386–386b), extending the
6 benefits of certain Acts of Congress to the Territory of
7 Hawaii, $90,000; Alaska, the Act approved February 23,
8 1929 (7 U. S. C. 386c), extending the benefits of the Hatch
9 Act to the Territory of Alaska, $15,000, and the provisions
10 of section 2 of the Act approved June 20, 1936, as
11 amended (7 U. S. C. 369a), extending the benefits of the
12 Adams and Purnell Acts to the Territory of Alaska,
13 $75,000; Puerto Rico, the Act approved March 4, 1931, as
14 amended (7 U. S. C. 386d–386f), extending the benefits of
15 certain Acts of Congress to Puerto Rico, $90,000; section
16 204 (b) of the Agricultural Marketing Act, the Act approved
17 August 14, 1946 (7 U. S. C. 1623), $500,000; in all
18 payments to States, Hawaii, Alaska, and Puerto Rico,
19 $19,453,708.

20 FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF
21 ANIMALS AND POULTRY

22 Eradication activities: For expenses necessary in the arrest
23 and eradication of foot-and-mouth disease, rinderpest, conta-
24 gious pleuropneumonia, or other contagious or infectious dis-
25 eases of animals, or European fowl pest and similar diseases in

1 poultry, including the payment of claims growing out of de-
2 struction of animals (including poultry) affected by or ex-
3 posed to, or of materials contaminated by or exposed to, any
4 such disease, when there has been compliance with all lawful
5 quarantine regulations, and for foot-and-mouth disease and
6 rinderpest programs undertaken pursuant to the provisions of
7 the Act of February 28, 1947, and the Act of May 29, 1884,
8 as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including
9 expenses in accordance with section 2 of said Act of Feb-
10 ruary 28, 1947, the Secretary may transfer from other
11 appropriations or funds available to the bureaus, corpora-
12 tions, or agencies of the Department such sums as he may
13 deem necessary, but not to exceed $2,650,000 for eradica-
14 tion of vesicular exanthema of swine, to be available only
15 in an emergency which threatens the livestock or poultry
16 industry of the country, and any unexpended balances of
17 funds transferred under this head in the next preceding fiscal
18 year shall be merged with such transferred amounts: *Pro-*
19 *vided,* That, except for payments made pursuant to said Act
20 of February 28, 1947, the payment for animals may be made
21 on appraisement based on the meat, egg-production, dairy,
22 or breeding value, but in case of appraisement based on
23 breeding value no appraisement of any animal shall exceed
24 three times its meat, egg-production, or dairy value and,
25 except in case of an extraordinary emergency to be

1 determined by the Secretary, the payment by the United
2 States shall not exceed one-half of any such appraisements:
3 *Provided further,* That this appropriation shall be subject to
4 applicable provisions contained in the item "Salaries and
5 expenses, Agricultural Research Service".

6 Research: For expenses necessary for research author-
7 ized by the Act of April 24, 1948 (21 U. S. C. 113a),
8 $1,800,000.

9 EXTENSION SERVICE

10 PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

11 For payments for cooperative agricultural extension work
12 under the Smith-Lever Act, as amended by the Act of June
13 26, 1953 (Public Law 83), $38,662,000; under section 5,
14 Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and
15 payments and contracts for such work under section 204 (b)–
16 205 of the Agricultural Marketing Act of 1946 (7 U. S. C.
17 1623–1624), $925,000; in all, $39,675,000: *Provided,*
18 That funds hereby appropriated pursuant to section 3 (c) of
19 the Act of June 26, 1953 (Public Law 83) shall not be paid
20 to any State, Hawaii, Alaska, or Puerto Rico prior to avail-
21 ability of an equal sum from non-Federal sources for expendi-
22 ture during the current fiscal year.

23 FEDERAL EXTENSION SERVICE

24 Administration and coordination: For administration
25 of the Smith-Lever Act, as amended by the Act of June 26,

1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 568–568a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,925,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, $1,885,000.

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), $408,000.

FOREST SERVICE

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and

1 foreign species, suitable trees for the treeless regions; to erect
2 necessary buildings: *Provided*, That the cost of any building
3 purchased, erected, or as improved, exclusive of the cost of
4 constructing a water-supply or sanitary system and of con-
5 necting the same with any such building, and exclusive of the
6 cost of any tower upon which a lookout house may be erected,
7 shall not exceed $18,500 ($22,500 in Alaska) with the ex-
8 ception that any building erected, purchased, or acquired, the
9 cost of which was $18,500 or more, may be improved out of
10 the appropriations made under this Act for the Forest Service
11 by an amount not to exceed 2 per centum of the cost of such
12 building; to protect, administer, and improve the national
13 forests, including tree planting and other measures to pre-
14 vent erosion, drift, surface wash, soil waste, and the forma-
15 tion of floods, and to conserve water; to ascertain the natural
16 conditions upon and utilize the national forests, to transport
17 and care for fish and game supplied to stock the national
18 forests or the waters therein; for management of lands ac-
19 quired under the land utilization program; and to collate,
20 digest, report, and illustrate the results of experiments and
21 investigations made by the Forest Service: *Provided fur-*
22 *ther*, That the appropriations available to the Forest Serv-
23 ice for the current fiscal year may be used for the operation
24 and maintenance of aircraft, and the purchase of not to ex-

1 ceed four (for replacement only), and not to exceed
2 $250,000 of such appropriations may be used for the
3 maintenance, improvement, and construction of aircraft land-
4 ing fields in, or adjacent to, the national forests, as follows:
5 National forest protection and management: For the ad-
6 ministration, protection, use, maintenance, improvement, and
7 development of the national forests, including the establish-
8 ment and maintenance of forest tree nurseries, including the
9 procurement of tree seed and nursery stock by purchase, pro-
10 duction, or otherwise, seeding and tree planting and the care
11 of plantations and young growth; the maintenance of roads
12 and trails and the construction and maintenance of all other
13 improvements necessary for the proper and economical ad-
14 ministration, protection, development, and use of the national
15 forests, including experimental areas under Forest Service
16 administration, except that where direct purchases will be
17 more economical than construction, improvements may be
18 purchased; the construction (not to exceed $18,500 for any
19 one structure), equipment, and maintenance of sanitary and
20 recreational facilities; timber cultural operations; develop-
21 ment and application of fish and game management plans;
22 propagation and transplanting of plants suitable for planting
23 on semiarid portions of the national forests; estimating and
24 appraising of timber and other resources and development
25 and application of plans for their effective management, sale,

1 and use; expenses of the National Forest Reservation Com-
2 mission as authorized by section 14 of the Act of March 1,
3 1911 (16 U. S. C. 514); examination, classification, sur-
4 veying, and appraisal of land incident to effecting exchanges
5 authorized by law and of lands within the boundaries of the
6 national forests that may be opened to homestead settlement
7 and entry under the Act of June 11, 1906, and the Act of
8 August 10, 1912 (16 U. S. C. 506–509), as provided by
9 the Act of March 4, 1913 (16 U. S. C. 512); investigation
10 and establishment of water rights, including the purchase
11 thereof or of lands or interests in lands or rights-of-way for
12 use and protection of water rights necessary or beneficial in
13 connection with the administration and public use of the
14 national forests; not to exceed $100,000 for the purchase of
15 parcels of land and interests therein in Sanders County, Mon-
16 tana, but such land shall not be acquired without the ap-
17 proval of the local government concerned; and all expenses
18 necessary for the use, maintenance, improvement, protection,
19 and general administration of the national forests, and for
20 the management of lands under title III of the Act of
21 July 22, 1937, and the Act of August 11, 1945 (7 U. S. C.
22 1010–1012); $30,132,700: *Provided,* That the Secretary
23 may sell at market value any property located in Yalobusha,
24 Chickasaw, and Pontotoc counties, Mississippi, administered
25 under title III of the Act of July 22, 1937, and suitable

1 for return to private ownership under such terms and condi-
2 tions as would not conflict with the purposes of said Act.
3 Fighting forest fires: For fighting and preventing forest
4 fires on or threatening lands under Forest Service adminis-
5 tration, including lands under contract for purchase or in
6 process of condemnation for Forest Service purposes, and for
7 liquidation of obligations incurred in the preceding fiscal year
8 for such purpose, $6,000,000, of which $2,500,000 shall be
9 apportioned for use, pursuant to section 3679 of the Revised
10 Statutes, as amended, to the extent necessary to meet emer-
11 gency conditions.
12 Control of forest pests: For the control of white pine
13 blister rust pursuant to the Act of April 26, 1940 (16
14 U. S. C. 594a), including the development and testing of
15 new control methods, $2,650,000, of which $360,000 shall
16 be available to the Department of the Interior for the control
17 of white pine blister rust on or endangering Federal lands
18 under the jurisdiction of that Department or lands of Indian
19 tribes which are under the jurisdiction of or retained under
20 restrictions of the United States; and for carrying out the
21 Forest Pest Control Act (16 U. S. C., Supp. V, 594–1—
22 594–5), $2,150,000, of which $1,750,000 shall be appor-
23 tioned for use pursuant to section 3679 of the Revised Stat-
24 utes, as amended, for the purposes of said Act to the extent
25 necessary under the then existing conditions; $4,800,000.

1 Forest research: For forest research at forest or range
2 experiment stations, the Forest Products Laboratory, or else-
3 where, in accordance with the provisions of sections 1, 2, 3.
4 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as
5 amended (16 U. S. C. 581, 581a–581c, 581f–581i), includ-
6 ing the construction and maintenance of improvements; fire,
7 silvicultural, watershed, forest insects and diseases, and other
8 forest investigations and experiments; investigations and
9 experiments to develop improved methods of management of
10 forest and related ranges; experiments, investigations, and
11 tests of forest products; marketing research and service on
12 timber and timber products; a comprehensive forest survey;
13 and investigations in forest economics; $6,528,500: *Pro-*
14 *vided,* That funds may be advanced to cooperators under
15 such regulations as the Secretary may prescribe when such
16 action will stimulate or facilitate cooperative work.

17 FOREST ROADS AND TRAILS

18 For expenses necessary for carrying out the provisions
19 of section 23 of the Federal Highway Act approved Novem-
20 ber 9, 1921, as amended (23 U. S. C. 23, 23a), relating
21 to forest development roads and trails, including the con-
22 struction, reconstruction, and maintenance of roads and
23 trails on experimental areas under Forest Service admin-
24 istration, $16,000,000, which sum is authorized to be ap-
25 propriated by the Acts of September 7, 1950 (64 Stat.

1 786), and June 25, 1952 (66 Stat. 158), to remain avail-
2 able until expended: *Provided,* That this appropriation
3 shall be available for the rental, purchase, construction,
4 or alteration of buildings necessary for the storage and
5 repair of equipment and supplies used for road and trail
6 construction and maintenance, but the total cost of any
7 such building purchased, altered, or constructed under this
8 authorization shall not exceed $18,500 ($22,500 in Alaska),
9 with the exception that any building erected, purchased, or
10 acquired, the cost of which was $18,500 or more, may be
11 improved within any fiscal year by an amount not to
12 exceed 2 per centum of the cost of such buildings.

13 ACQUISITION OF LANDS FOR NATIONAL FORESTS

14 Weeks Act

15 For the acquisition of forest lands under the provisions
16 of the Act approved March 1, 1911, as amended (16
17 U. S. C. 513–519, 521), $75,000, to be available only for
18 payment of the purchase price of any lands acquired, in-
19 cluding the cost of surveys in connection with such acqui-
20 sition: *Provided,* That no part of this appropriation shall be
21 used for acquisition of any land which is not within the
22 boundaries of a national forest: *Provided further,* That no
23 part of this appropriation shall be used for the acquisition of
24 any land without the approval of the local government
25 concerned.

1 Special Acts

2 For the acquisition of land to facilitate the control of
3 soil erosion and flood damage originating within the exterior
4 boundaries of the following national forest, in accordance
5 with the provisions of the following Act authorizing annual
6 appropriations of forest receipts for such purposes, and in not
7 to exceed the following amount from such receipts:
8 Cache National Forest, Utah, Act of May 11, 1938 (Public
9 Law 505), as amended, $10,000: *Provided,* That no part
10 of this appropriation shall be used for acquisition of any
11 land which is not within the boundaries of a national
12 forest: *Provided further,* That no part of this appropriation
13 shall be used for the acquisition of any land without the
14 approval of the local government concerned.

15 STATE AND PRIVATE FORESTRY COOPERATION

16 For expenses necessary for cooperation with the various
17 States in forest-fire prevention and suppression, in forest
18 tree planting, in forest management and processing, and in
19 farm forestry extension, pursuant to the Act of August 25,
20 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3,
21 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–
22 568a), and Acts supplementary thereto; advising tim-
23 berland owners, associations, and other appropriate agen-
24 cies in the application of forest management principles to
25 federally owned lands leased to States and to private forest

1 lands, and advising wood-using industries in processing of
2 forest products, so as to attain sustained-yield management,
3 the conservation of the timber resources, the productivity of
4 forest lands, and the stabilization of employment and eco-
5 nomic continuance of forest industries; $10,608,690.

6 COOPERATIVE RANGE IMPROVEMENTS

7 For artificial revegetation, construction, and mainte-
8 nance of range improvements, control of rodents, and eradi-
9 cation of poisonous and noxious plants on national forests
10 as authorized by section 12 of the Act of April 24, 1950
11 (16 U. S. C. 580h), $281,000, to remain available until
12 expended.

13 SOIL CONSERVATION SERVICE

14 CONSERVATION OPERATIONS

15 For necessary expenses for carrying out the provisions
16 of the Act of April 27, 1935 (16 U. S. C. 590a–590f), in-
17 cluding preparation of conservation plans and establishment of
18 measures to conserve soil and water (including farm irriga-
19 tion and land drainage and such special measures as may
20 be necessary to prevent floods and the siltation of reser-
21 voirs); operation of conservation nurseries; classification
22 and mapping of soils; dissemination of information; pur-
23 chase and erection or alteration of permanent buildings;
24 operation and maintenance of aircraft; and furnishing of
25 subsistence to employees; $58,965,671: *Provided*, That

1 the cost of any permanent building purchased, erected, or as
2 improved, exclusive of the cost of constructing a water
3 supply or sanitary system and connecting the same to any
4 such building and with the exception of buildings acquired
5 in conjunction with land being purchased for other purposes,
6 shall not exceed $2,500, except for eight buildings to be
7 constructed or improved at a cost not to exceed $15,000
8 per building and except that alterations or improvements to
9 other existing permanent buildings costing $2,500 or more
10 may be made in any fiscal year in an amount not to exceed
11 $500 per building: *Provided further*, That no part of this
12 appropriation shall be available for the construction of any
13 such building on land not owned by the Government: *Pro-*
14 *vided further*, That in the State of Missouri, where the State
15 has established a central State agency authorized to enter
16 into agreements with the United States or any of its agencies
17 on policies and general programs for the saving of its soil by
18 the extension of Federal aid to any soil conservation district
19 in such State, the agreements made by or on behalf of the
20 United States with any such soil conservation district shall
21 have the prior approval of such central State agency before
22 they shall become effective as to such district: *Provided*
23 *further*, That no part of this appropriation may be expended
24 for soil and water conservation operations under the Act of

1 April 27, 1935 (16 U. S. C. 590a–590f), in demonstration
2 projects: *Provided further,* That not to exceed $5,000 may
3 be used for employment pursuant to the second sentence of
4 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
5 574), as amended by section 15 of the Act of August 2,
6 1946 (5 U. S. C. 55a): *Provided further,* That qualified
7 local engineers may be temporarily employed at per diem
8 rates to perform the technical planning work of the service.

9 WATERSHED PROTECTION

10 For expenses necessary to conduct surveys, investiga-
11 tions, and research and to carry out preventive measures,
12 including, but not limited to, engineering operations, meth-
13 ods of cultivation, the growing of vegetation, and changes in
14 use of land, in accordance with the provisions of the Act of
15 April 27, 1935 (16 U. S. C. 590a–590f), to remain available
16 until expended, $5,000,000, with which shall be merged the
17 unexpended balances of funds heretofore appropriated or
18 transferred to the Department for watershed protection
19 purposes.

20 FLOOD PREVENTION

21 For expenses necessary, in accordance with the Flood
22 Control Act, approved June 22, 1936 (Public Law 738),
23 as amended and supplemented, and in accordance with the
24 provisions of laws relating to the activities of the Depart-
25 ment, to make preliminary examinations and surveys, and

1 to perform works of improvement, and to plan the agricul-
2 tural phases of the development of the Arkansas-White-Red
3 River area, the New England-New York area, including not
4 to exceed $100,000 for employment pursuant to the second
5 sentence of section 706 (a) of the Organic Act of 1944 (5
6 U. S. C. 574), as amended by section 15 of the Act of
7 August 2, 1946 (5 U. S. C. 55a), at rates for individuals
8 not to exceed $100 per diem, to remain available until
9 expended, $6,982,000, with which shall be merged the
10 unexpended balances of funds heretofore appropriated or
11 transferred to the Department for flood prevention pur-
12 poses: *Provided,* That no part of such funds shall be used
13 for the purchase of lands in the Yazoo and Little Tallahatchie
14 watersheds without specific approval of the county board of
15 supervisors of the county in which such lands are situated,
16 nor shall any part of such funds be used for the purchase of
17 lands in the counties of Adair, Cherokee, and Sequoyah, in
18 the State of Oklahoma, and Neosho, Cottonwood, Verdigris,
19 Caney, and tributaries in Kansas, without the specific ap-
20 proval of the Board of County Commissioners of the county
21 in which such lands are situated: *Provided further,* That
22 of the funds available herein, not in excess of $6,-
23 504,500 (with which shall be merged the unexpended
24 balances of funds heretofore made available for these pur-
25 poses) may be expended in watersheds heretofore authorized

1 by section 13 of the Flood Control Act of December 22,
2 1944, for necessary gully control, floodwater detention, and
3 floodway structures in areas other than those over which
4 the Department of the Army has jurisdiction and
5 responsibility.

6 WATER CONSERVATION AND UTILIZATION PROJECTS

7 For expenses necessary to carry out the functions of
8 the Department under the Acts of May 10, 1939 (53 Stat.
9 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10),
10 as amended and supplemented, June 28, 1949 (Public Law
11 132), and September 6, 1950 (7 U. S. C. 1033–1039), re-
12 lating to water conservation and utilization projects, to
13 remain available until expended, $480,000, which sum shall
14 be merged with the unexpended balances of funds heretofore
15 appropriated to said Department for the purposes of said
16 Acts.

17 AGRICULTURAL CONSERVATION PROGRAM SERVICE

18 For necessary expenses to carry into effect the pro-
19 visions of section 7 to 17, inclusive, of the Soil Conser-
20 vation and Domestic Allotment Act, approved February
21 29, 1936, as amended (16 U. S. C. 590g–590q), in-
22 cluding not to exceed $6,000 for the preparation and dis-
23 play of exhibits, including such displays at State, interstate,
24 and international fairs within the United States; $191,-
25 700,000, to remain available until December 31 of the

1 next succeeding fiscal year for compliance with the pro-
2 gram of soil-building practices and soil- and water-conserv-
3 ing practices authorized under this head in the Department
4 of Agriculture Appropriation Act, 1954, carried out during
5 the period July 1, 1953, to December 31, 1954, inclusive:
6 *Provided,* That not to exceed $22,500,000 of the total sum
7 provided under this head shall be available during the cur-
8 rent fiscal year for salaries and other administrative ex-
9 penses for carrying out such program, the cost of aerial
10 photographs, however, not to be charged to such limita-
11 tion; but not more than $4,020,000 shall be transferred
12 to the appropriation account, "Administrative expenses,
13 section 392, Agricultural Adjustment Act of 1938":
14 *Provided further,* That payments to claimants here-
15 under may be made upon the certificate of the claimant,
16 which certificate shall be in such form as the Secretary may
17 prescribe, that he has carried out the conservation practice or
18 practices and has complied with all other requirements as
19 conditions for such payments and that the statements and
20 information contained in the application for payment are
21 correct and true, to the best of his knowledge and belief,
22 under the penalties of title 18, United States Code: *Provided*
23 *further,* That none of the funds herein appropriated or made
24 available for the functions assigned to the Agricultural Ad-

1 justment Agency pursuant to the Executive Order Numbered
2 9069, of February 23, 1942, shall be used to pay the salaries
3 or expenses of any regional information employees or any
4 State information employees, but this shall not preclude the
5 answering of inquiries or supplying of information at the
6 county level to individual farmers: *Provided further*, That
7 such amount shall be available for salaries and other admin-
8 istrative expenses in connection with the formulation and
9 administration of the 1955 program of soil-building practices
10 and soil- and water-conserving practices, under the Act of
11 February 29, 1936, as amended (amounting to $250,000,-
12 000, including administration, but of this amount not more
13 than $195,000,000 may be used until a final program has
14 been adopted relative to the use of acreage diverted from
15 production, and formulated on the basis of a distribution
16 of the funds available for payments and grants among
17 the several States in accordance with their conservation
18 needs as determined by the Secretary, except that the
19 proportion allocated to any State shall not be reduced more
20 than 15 per centum from the distribution for the next preced-
21 ing program year, and no participant shall receive more than
22 $1,500) ; but the payments or grants under such programs
23 shall be conditioned upon the utilization of land with respect
24 to which such payments or grants are to be made in con-
25 formity with farming practices which will encourage and

1 provide for soil-building and soil- and water-conserving prac-
2 tices in the most practical and effective manner and adapted
3 to conditions in the several States, as determined and ap-
4 proved by the State committees appointed pursuant to section
5 8 (b) of the Soil Conservation and Domestic Allotment Act,
6 as amended (16 U. S. C. 590h (b)), for the respective
7 States: *Provided further,* That not to exceed 5 per centum of
8 the allocation for the 1955 agricultural conservation program
9 for any county may, on the recommendation of such county
10 committee and approval of the State committee, be withheld
11 and allotted to the Soil Conservation Service for services of
12 its technicians in formulating and carrying out the agricultural
13 conservation program in the participating counties, and the
14 funds so allotted may be placed in a single account for each
15 State, and shall not be utilized by the Soil Conservation
16 Service for any purpose other than technical and other
17 assistance in such counties: *Provided further,* That for the
18 1955 program $2,500,000 shall be available for technical
19 assistance in formulating and carrying out agricultural con-
20 servation practices and $1,000,000 shall be available for
21 conservation practices related directly to flood prevention
22 work in approved watersheds: *Provided further,* That in
23 carrying out the 1955 program the Secretary shall give
24 particular consideration to the conservation problems on farm
25 lands diverted from crops under acreage-allotment programs:

1 *Provided further*, That such amounts shall be available for the
2 purchase of seeds, fertilizers, lime, trees, or any other farming
3 material, or any soil-terracing services, and making grants
4 thereof to agricultural producers to aid them in carrying out
5 farming practices approved by the Secretary under programs
6 provided for herein: *Provided further*, That no part of any
7 funds available to the Department, or any bureau, office, cor-
8 poration, or other agency constituting a part of such Depart-
9 ment, shall be used in the current fiscal year for the payment
10 of salary or travel expenses of any person who has been con-
11 victed of violating the Act entitled "An Act to prevent perni-
12 cious political activities", approved August 2, 1939, as
13 amended, or who has been found in accordance with the
14 provisions of title 18, United States Code, section 1913, to
15 have violated or attempted to violate such section which
16 prohibits the use of Federal appropriations for the payment
17 of personal services or other expenses designed to influence
18 in any manner a Member of Congress to favor or oppose any
19 legislation or appropriation by Congress except upon request
20 of any Member or through the proper official channels.

21 AGRICULTURAL MARKETING SERVICE

22 MARKETING RESEARCH AND SERVICE

23 For expenses necessary to carry on research and service
24 to improve and develop marketing and distribution relating to
25 agriculture as authorized by the Agricultural Marketing Act

1 of 1946 (7 U. S. C. 1621–1627) and other laws, including
2 the administration of marketing regulatory acts connected
3 therewith:

4 Marketing research and agricultural estimates: For re-
5 search and development relating to agricultural marketing
6 and distribution, for analyses relating to farm prices, income
7 and population, and demand for farm products, and for crop
8 and livestock estimates; $10,215,000: *Provided,* That no
9 part of the funds herein appropriated shall be available for
10 any expense incident to ascertaining, collating, or publishing
11 a report stating the intention of farmers as to the acreage to
12 be planted in cotton, or for estimates of apple production
13 for other than the commercial crop.

14 Marketing services: For services relating to agricultural
15 marketing and distribution, for carrying out regulatory acts
16 connected therewith, and for administration and coordination
17 of payments to States; $11,463,500, including not to exceed
18 $25,000 for employment at rates not to exceed $100 per
19 diem, pursuant to the second sentence of section 706 (a) of
20 the Organic Act of 1944 (5 U. S. C. 574), as amended by
21 section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in
22 carrying out section 201 (a) to 201 (d), inclusive, of title
23 II of the Agricultural Adjustment Act of 1938 (7 U. S. C.
24 1291) and section 203 (j) of the Agricultural Marketing
25 Act of 1946.

1 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

2 For payments to departments of agriculture, bureaus
3 and departments of markets and similar agencies for market-
4 ing activities under section 204 (b) of the Agricultural
5 Marketing Act of 1946 (7 U. S. C. 1623 (b)), $900,000.

6 REPAYMENT TO COMMODITY CREDIT CORPORATION

7 For reimbursement to Commodity Credit Corporation
8 for sums transferred to the appropriation "Marketing serv-
9 ices", fiscal year 1953 (including interest thereon
10 through June 30, 1954), pursuant to authority con-
11 tained under the head "Marketing services" in the Depart-
12 ment of Agriculture Appropriation Act, 1952 (7 U. S. C.
13 414a), for grading tobacco and classing cotton without
14 charge to producers, as authorized by law (7 U. S. C. 473a,
15 511d), $441,655.

16 SCHOOL LUNCH PROGRAM

17 For necessary expenses to carry out the provisions of
18 the National School Lunch Act (42 U. S. C. 1751–1760),
19 $83,464,000: *Provided,* That no part of this appropriation
20 shall be used for nonfood assistance under section 5 of said
21 Act.

22 FOREIGN AGRICULTURAL SERVICE

23 For necessary expenses for the Foreign Agricultural
24 Service and for enabling the Secretary to coordinate and

1 integrate activities of the Department in connection with
2 foreign agricultural work, $965,000.

3 COMMODITY EXCHANGE AUTHORITY

4 For necessary expenses to carry into effect the provisions
5 of the Commodity Exchange Act, as amended (7 U. S. C.
6 1–17a), $673,000.

7 COMMODITY STABILIZATION SERVICE

8 AGRICULTURAL ADJUSTMENT PROGRAMS

9 For necessary expenses to formulate and carry out acre-
10 age allotment and marketing quota programs pursuant to
11 provisions of title III of the Agricultural Adjustment Act of
12 1938, as amended (7 U. S. C. 1301–1393), $40,000,000,
13 of which not more than $5,500,000 shall be transferred to
14 the appropriation account "Administrative expenses, section
15 392, Agricultural Adjustment Act of 1938": *Provided,* That
16 $3,500,000 of this appropriation shall be placed in reserve
17 to be apportioned for use pursuant to section 3679 of the
18 Revised Statutes, as amended, to the extent necessary for
19 carrying out marketing quotas for the 1955 crop of wheat.

20 SUGAR ACT PROGRAM

21 For necessary expenses to carry into effect the provisions
22 of the Sugar Act of 1948 (7 U. S. C. 1101–1160),
23 $59,600,000, to remain available until June 30 of the next
24 succeeding fiscal year: *Provided,* That expenditures (includ-

1 ing transfers) from this appropriation for other than pay-
2 ments to sugar producers shall not exceed $1,392,000, of
3 which $77,000 shall be placed in reserve to be apportioned
4 pursuant to section 3679 of the Revised Statutes, as amended,
5 for use as may become necessary for applying restrictive
6 proportionate shares on the 1955 beet crop.

7 FEDERAL CROP INSURANCE CORPORATION

8 For operating and administrative expenses, $5,700,000.

9 RURAL ELECTRIFICATION ADMINISTRATION

10 To carry into effect the provisions of the Rural Electrifi-
11 cation Act of 1936, as amended (7 U. S. C. 901–924), as
12 follows:

13 LOAN AUTHORIZATIONS

14 For loans in accordance with said Act, and for carrying
15 out the provisions of section 7 thereof, to be borrowed from
16 the Secretary of the Treasury in accordance with the pro-
17 visions of section 3 (a) of said Act as follows: Rural elec-
18 trification program, $100,000,000; and rural telephone
19 program, $75,000,000; and additional amounts, not to
20 exceed $35,000,000 for the rural electrification program,
21 may be borrowed under the same terms and conditions to
22 the extent that such additional amounts are required during
23 the fiscal year 1955, under the then existing conditions,
24 for the expeditious and orderly development of the program.

1 SALARIES AND EXPENSES

2 For administrative expenses, including not to exceed
3 $500 for financial and credit reports, and not to exceed
4 $75,000 for employment pursuant to the second sentence
5 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.
6 574), as amended by section 15 of the Act of August 2,
7 1946 (5 U. S. C. 55a), $7,285,000.

8 FARMERS' HOME ADMINISTRATION

9 To carry into effect the provisions of titles I, II, and
10 the related provisions of title IV of the Bankhead-Jones
11 Farm Tenant Act, as amended (7 U. S. C. 1000–1031);
12 the Farmers' Home Administration Act of 1946 (7 U. S. C.
13 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.
14 Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946
15 (40 U. S. C. 436–439); the Act of August 28, 1937, as
16 amended (16 U. S. C. 590r–590x, 590z–5), for the develop-
17 ment of facilities for water storage and utilization in the arid
18 and semiarid areas of the United States; the provisions of
19 title V of the Housing Act of 1949 (42 U. S. C. 1471–
20 1483), as amended by the Housing Act of 1952 (Public
21 Law 531, approved July 14, 1952), relating to financial
22 assistance for farm housing; the Rural Rehabilitation Cor-
23 poration Trust Liquidation Act, approved May 3, 1950 (40
24 U. S. C. 440–444); the items "Loans to farmers, 1948 flood

1 damage" in the Act of June 25, 1948 (62 Stat. 1038), and
2 "Loans to farmers, property damage" in the Act of May 24,
3 1949 (63 Stat. 82); the collecting and servicing of credit
4 sales and development accounts in water conservation and
5 utilization projects (53 Stat. 685, 719), as amended and
6 supplemented (16 U. S. C. 590y, z1 and z10); and the Act
7 to direct the Secretary of Agriculture to convey certain
8 mineral interests, approved September 6, 1950 (7 U. S. C.
9 1033–1039), as follows:

10 LOAN AUTHORIZATIONS

11 For loans (including payments in lieu of taxes and taxes
12 under section 50 of the Bankhead-Jones Farm Tenant Act,
13 as amended, and advances incident to the acquisition and
14 preservation of security of obligations under the foregoing
15 several authorities): Title I and section 43 of title IV of
16 the Bankhead-Jones Farm Tenant Act, as amended,
17 $19,000,000, of which not to exceed $5,000,000 may be dis-
18 tributed to States and Territories without regard to farm
19 population and prevalence of tenancy, in addition to the
20 amount otherwise distributed thereto, for loans in reclama-
21 tion projects and to entrymen on unpatented public land; title
22 II of the Bankhead-Jones Farm Tenant Act, as amended,
23 $120,000,000; the Act of August 28, 1937, as amended,
24 $6,500,000: *Provided*, That not to exceed the foregoing sev-
25 eral amounts shall be borrowed in one account from the Secre-

1 tary of the Treasury in accordance with the provisions set
2 forth under this head in the Department of Agriculture
3 Appropriation Act, 1952.

4 SALARIES AND EXPENSES

5 For making, servicing, and collecting loans and insured
6 mortgages, the servicing and collecting of loans made under
7 prior authority, the liquidation of assets transferred to Farm-
8 ers' Home Administration, and other administrative ex-
9 penses, $23,750,000, together with a transfer of not to
10 exceed $400,000 of the fees and administrative expense
11 charges made available by subsections (d) and (e) of section
12 12 of the Bankhead-Jones Farm Tenant Act, as amended.

13 OFFICE OF THE SOLICITOR

14 For necessary expenses, including payment of fees or
15 dues for the use of law libraries by attorneys in the field
16 service, $2,000,000, together with such amounts from other
17 appropriations or authorizations as are provided in the
18 schedules in the budget for the current fiscal year for such
19 expenses, which several amounts not exceeding a total of
20 $300,000 shall be transferred to and made a part of this
21 appropriation.

22 OFFICE OF THE SECRETARY

23 For expenses of the Office of the Secretary of Agriculture,
24 including the purchase of one passenger motor vehicle for
25 replacement only; expenses of the National Agricultural

1 Advisory Commission; stationery, supplies, materials, and
2 equipment; freight, express, and drayage charges; adver-
3 tising of bids, communication service, postage, washing
4 towels, repairs and alterations, and other miscellaneous
5 supplies and expenses not otherwise provided for and nec-
6 essary for the practical and efficient work of the Department
7 of Agriculture; $2,050,000, together with such amounts from
8 other appropriations or authorizations as are provided in the
9 schedules in the budget for the current fiscal year for such
10 services and expenses, which several amounts or portions
11 thereof, as may be determined by the Secretary, not exceeding
12 a total of $84,280, shall be transferred to and made a part
13 of this appropriation.

14 OFFICE OF INFORMATION

15 For necessary expenses of the Office of Information for
16 the dissemination of agricultural information and the co-
17 ordination of informational work and programs authorized
18 by Congress in the Department, $1,180,400, together
19 with such amounts from other appropriations or au-
20 thorizations as are provided in the schedules in the budget
21 for the current fiscal year for such expenses, which several
22 amounts not exceeding a total of $16,014 shall be trans-
23 ferred to and made a part of this appropriation, of which
24 total appropriation not to exceed $324,000 may be
25 used for farmers' bulletins, which shall be adapted to the

1 interests of the people of the different sections of the country,
2 an equal proportion of four-fifths of which shall be delivered
3 to or sent out under the addressed franks furnished by the
4 Senators, Representatives, and Delegates in Congress, as
5 they shall direct (7 U. S. C. 417) and not less than two
6 hundred thirty thousand eight hundred and fifty copies for
7 the use of the Senate and House of Representatives of part 2
8 of the annual report of the Secretary (known as the Year-
9 book of Agriculture) as authorized by section 73 of the Act
10 of January 12, 1895 (44 U. S. C. 241) : *Provided,* That in
11 the preparation of motion pictures or exhibits by the Depart-
12 ment, not exceeding a total of $10,000 may be used for
13 employment pursuant to the second sentence of section 706
14 (a) of the Organic Act of 1944 (5 U. S. C. 574), as
15 amended by section 15 of the Act of August 2, 1946 (5 U.
16 S. C. 55a) : *Provided further,* That no part of this appro-
17 priation shall be used for the establishment or maintenance
18 of regional or State field offices, or for the compensation of
19 employees in such offices.

20 LIBRARY

21 For necessary expenses, including dues for library mem-
22 bership in societies or associations which issue publications to
23 members only or at a price to members lower than to sub-
24 scribers who are not members, $659,950.

1 TITLE II—CORPORATIONS

2 The following corporations and agencies are hereby au-
3 thorized to make such expenditures, within the limits of funds
4 and borrowing authority available to each such corpora-
5 tion or agency and in accord with law, and to make such con-
6 tracts and commitments without regard to fiscal year limi-
7 tations as provided by section 104 of the Government Corpo-
8 ration Control Act, as amended, as may be necessary in
9 carrying out the programs set forth in the budget for the
10 fiscal year 1955 for such corporation or agency, except as
11 hereinafter provided:

12 Federal Crop Insurance Corporation: *Provided,* That
13 the direct costs of loss adjusters for crop inspections and loss
14 adjustments may be considered as nonadministrative or
15 nonoperating expenses.

16 Commodity Credit Corporation: Nothing in this Act
17 shall be so construed as to prevent the Commodity Credit
18 Corporation from carrying out any activity or any program
19 authorized by law: *Provided,* That not to exceed $18,000,-
20 000 shall be available for administrative expenses of the
21 Corporation: *Provided further,* That all necessary expenses
22 (including legal and special services performed on a contract
23 or fee basis, but not including other personal services) in
24 connection with the acquisition, operation, maintenance,
25 improvement, or disposition of any real or personal property

1 belonging to the Corporation or in which it has an interest,
2 including expenses of collections of pledged collateral, shall
3 be considered as nonadministrative expenses for the purposes
4 hereof.

5 TITLE III—SPECIAL ACTIVITIES

6 RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL
7 MATERIALS

8 For expenses necessary to carry out section 7 (b) of the
9 Strategic and Critical Materials Stock Piling Act of July 23,
10 1946 (50 U. S. C. 98f), $331,500: *Provided,* That
11 this appropriation shall be subject to applicable provisions
12 contained in the item "Salaries and expenses, Agricultural
13 Research Service".

14 TITLE IV—FARM CREDIT ADMINISTRATION

15 Administrative expenses: For necessary expenses, in-
16 cluding services as authorized by section 15 of the Act of
17 August 2, 1946 (5 U. S. C. 55a), the assessments heretofore
18 and hereafter collected from the Federal land banks and
19 other farm credit agencies, to remain available until ex-
20 pended: *Provided,* That not to exceed $2,320,000 shall be
21 obligated during the current fiscal year for such expenses.

22 Federal Farm Mortgage Corporation: Not to exceed
23 $650,000 (to be computed on an accrual basis) of the funds
24 of the Corporation shall be available for administrative ex-
25 penses, including employment on a contract or fee basis of

1 persons, firms, and corporations for the performance of
2 special services, including legal services, and the use of the
3 services and facilities of Federal land banks, National farm
4 loan associations, Federal Reserve banks, and agencies of
5 the Government as authorized by the Act of January 31,
6 1934 (12 U. S. C. 1020–1020h) ; and said total sum shall
7 be exclusive of services and facilities furnished and examina-
8 tions made by the Farm Credit Administration central office,
9 interest expense, and expenses in connection with the acqui-
10 sition, operation, maintenance, improvement, protection, or
11 disposition of real or personal property belonging to the
12 Corporation or in which it has an interest: *Provided*, That
13 promptly after June 30 of each fiscal year all cash funds in
14 excess of the estimated operating requirements for the cur-
15 rent fiscal year shall be declared as dividends and paid into
16 the general fund of the Treasury: *Provided further*, That
17 the aggregate amount of bonds the Corporation may issue
18 and have outstanding at any one time shall not exceed
19 $500,000,000.

20 Federal intermediate credit banks: Not to exceed
21 $1,740,000 (to be computed on an accrual basis) of the
22 funds of the banks shall be available for administrative ex-
23 penses, including the purchase of not to exceed two passenger
24 motor vehicles for replacement only, and services performed
25 for the banks by other Government agencies (except services

1 and facilities furnished and examinations made by the Farm
2 Credit Administration central office, and services performed
3 by any Federal Reserve bank and by the United States
4 Treasury in connection with the financial transactions of the
5 banks); and said total sum shall be exclusive of interest
6 expense, legal and special services performed on a contract
7 or fee basis, and expenses in connection with the acquisition,
8 operation, maintenance, improvement, protection, or dis-
9 position of real or personal property belonging to the banks
10 or in which they have an interest.

11 Production credit corporations; Not to exceed $1,540,-
12 000 (to be computed on an accrual basis) of the funds
13 of the corporation shall be available for administra-
14 tive expenses, including the purchase of not to exceed
15 five passenger motor vehicles for replacement only, and
16 services performed for the corporations by other Government
17 agencies (except services and facilities furnished and exam-
18 inations made by the Farm Credit Administration central
19 office); and said total sum shall be exclusive of interest
20 expense, legal and special services performed on a contract
21 or fee basis, and expenses in connection with the acquisition,
22 operation, maintenance, improvement, protection, or dis-
23 position of real or personal property belonging to the
24 corporations or in which they have an interest.

1 TITLE V—GENERAL PROVISIONS

2 SEC. 501. Within the unit limit of cost fixed by law, the
3 lump-sum appropriations and authorizations made for the
4 Department under this Act shall be available for the pur-
5 chase, in addition to those specifically provided for, of not to
6 exceed 500 passenger motor vehicles for replacement
7 only, and for the hire of such vehicles, necessary in the con-
8 duct of the work of the Department outside the District of
9 Columbia.

10 SEC. 502. Provisions of law prohibiting or restricting
11 the employment of aliens shall not apply to (1) the tem-
12 porary employment of translators when competent citizen
13 translators are not available; (2) employment in cases of
14 emergency of persons in the field service of the Department
15 for periods of not more than sixty days; and (3) employ-
16 ment under the appropriation for the Foreign Agricultural
17 Service.

18 SEC. 503. Of appropriations herein made which are
19 available for the purchase of lands, not to exceed $1 may be
20 expended for each option to purchase any particular tract or
21 tracts of land.

22 SEC. 504. No part of the funds appropriated by this Act
23 shall be used for the payment of any officer or employee of
24 the Department who, as such officer or employee, or on be-
25 half of the Department or any division, commission, or bu-

1 reau thereof, issues, or causes to be issued, any prediction,
2 oral or written, or forecast, except as to damage threatened
3 or caused by insects and pests, with respect to future prices
4 of cotton or the trend of same.

5 SEC. 505. Except to provide materials required in or
6 incident to research or experimental work where no suitable
7 domestic product is available, no part of the funds appro-
8 priated by this Act shall be expended in the purchase of twine
9 manufactured from commodities or materials produced outside
10 of the United States.

11 SEC. 506. Not less than $1,500,000 of the appropriations
12 of the Department for research and service work authorized
13 by the Act of August 14, 1946 (7 U. S. C. 427, 1621–
14 1629) shall be available for contracting in accordance with
15 said Act.

16 SEC. 507. No part of any appropriation contained in
17 this Act, or of the funds available for expenditure by any
18 corporation included in this Act, shall be used to pay the
19 salary or wages of any person who engages in a strike against
20 the Government of the United States or who is a member
21 of an organization of Government employees that asserts the
22 right to strike against the Government of the United States,
23 or who advocates, or is a member of an organization that
24 advocates, the overthrow of the Government of the United
25 States by force or violence: *Provided,* That for the purposes

1 hereof an affidavit shall be considered prima facie evidence
2 that the person making the affidavit has not contrary to the
3 provisions of this section engaged in a strike against the
4 Government of the United States, is not a member of an
5 organization of Government employees that asserts the right
6 to strike against the Government of the United States, or
7 that such person does not advocate, and is not a member of
8 an organization that advocates, the overthrow of the Govern-
9 ment of the United States by force or violence: *Provided*
10 *further*, That any person who engages in a strike against
11 the Government of the United States or who is a member of
12 an organization of Government employees that asserts the
13 right to strike against the Government of the United States,
14 or who advocates, or who is a member of an organization
15 that advocates, the overthrow of the Government of the
16 United States by force or violence and accepts employment
17 the salary or wages for which are paid from any appropria-
18 tion or fund contained in this Act shall be guilty of a felony
19 and, upon conviction, shall be fined not more than $1,000
20 or imprisoned for not more than one year, or both: *Provided*
21 *further*, That the above penalty clause shall be in addition
22 to, and not in substitution for, any other provisions of exist-
23 ing law: *Provided further*, That nothing in this section shall
24 be construed to require an affidavit from any person em-
25 ployed for less than sixty days for sudden emergency work

1 involving the loss of human life or destruction of property,
2 the payment of salary or wages may be made to such persons
3 from applicable appropriations for services rendered in such
4 emergency without execution of the affidavit contemplated
5 by this section.

6 SEC. 508. No part of any appropriation contained in
7 this Act or of the funds available for expenditure by any
8 corporation or agency included in this Act shall be used for
9 publicity or propaganda purposes to support or defeat legis-
10 lation pending before the Congress.

11 SEC. 509. Appropriations of the Department available
12 for research and service work authorized by the Act of
13 August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629)
14 shall be available for expenses of any advisory committee
15 established as provided in title III of said Act to assist in
16 effectuating the research and service work of the Department.

17 This Act may be cited as the "Department of Agriculture
18 Appropriation Act, 1955".

Passed the House of Representatives April 14, 1954.

Attest: LYLE O. SNADER,
Clerk.

83D CONGRESS
2D SESSION

H. R. 8779

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

APRIL 15 (legislative day, APRIL 14), 1954

Read twice and referred to the Committee on Appropriations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 6, 1954
For actions of May 5, 1954
83rd-2nd, No. 82

CONTENTS

HIGHLIGHTS: House received conference report on 3rd supplemental appropriation bill. House debated St. Lawrence seaway bill. Rep. Marshall criticized USDA program regarding dairy surpluses. Rep. Dague inserted and commended Secretary's testimony before House committee on farm program proposals.

HOUSE

1. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1954. Received the conference report on this bill, H. R. 8481 (pp. 5744-5). As reported from conference, the bill increases the CCC administrative-expense limitation from $17,100,000 to $20,000,000 (House figure, $19,100,000; Senate figure, $20,100,000). The Senate amendment to provide $15,000,000 to ACP for wind erosion control measures, was reported in disagreement by the conferees. The conferees rejected the Senate amendment providing $30,000 for the Advisory Committee on Weather Control. The bill also includes $10,000,000 additional for the Disaster Loan Revolving Fund, $4,500,000 additional for fighting forest fires, and $120,000 additional for FCA.

2. ST. LAWRENCE SEAWAY. Began debate on S. 2150, to authorize U. S. participation in this project (pp. 5683-740).

3. PUBLIC LANDS. The Public Works Committee reported with amendment H. R. 7111, to authorize the grant or retrocession to a State of concurrent jurisdiction over Federal lands as may be necessary for roads and other rights-of-way (H. Rept. 1558)(p. 5744).

4. DAIRY INDUSTRY. Rep. Marshall criticized the reduction in dairy price supports, questioned the proposed use of dried milk as animal feed, recommended vending machines for milk, objected to interstate milk-market barriers, and urged additional action regarding diverted acreage and sale of butter to foreign countries (pp. 5741-2).

SENATE

5. AGRICULTURAL APPROPRIATION BILL, 1955. The Appropriations Committee concluded its open hearings on this bill, H. R. 8779 (p. D485).

6. DAIRY INDUSTRY. Sen. Wiley inserted a letter from President Eisenhower in

observance of June, Dairy Month (pp. 5654-5).

BILLS INTRODUCED

7. RECLAMATION. H. R. 9012, by Rep. Hagen, Calif., to authorize additional parts the Central Valley project, Calif.; to Interior and Insular Affairs Committee (p. 5754).

8. SURPLUS PROPERTY. H. R. 9014, by Rep. Hays, Ark., to permit disposal of surpl property to State health departments and public water districts; to Governmen Operations Committee (p. 5754).

9. PERSONNEL. H. R. 9016, by Rep. Javits, to assist Federal personnel in voting; House Administration Committee (p. 5754).

H. R. 9017, by Rep. Lesinski, to provide a uniform rate for computing civil service annuities; to Post Office and Civil Service Committee (p. 5754)

10. FISH. H. R. 9018, by Rep. McCormack, "to further encourage the distribution fishery products"; to Merchant Marine and Fisheries Committee (p. 5754).

11. FOREIGN TRADE. H. R. 9025, by Rep. Wampler, to provide unemployment assistan for persons adversely affected by a Federal tariff or trade policy; to Ways Means Committee (p. 5754).

COMMITTEE HEARINGS RELEASED BY GPO

12. FARM LOANS. S. 3245, to improve the emergency-loans program. S. Agriculture and Forestry Committee.

ITEMS IN APPENDIX

13. FARM PROGRAM. Rep. Dague inserted and commended Secretary Benson's testimony May 5 before the House Agriculture Committee on the Administration's overall farm program proposals (pp. A3260-7).

14. EDUCATION. Rep. Harrison, Va., inserted Dr. D. J. Howard's analysis comparin 1954 appropriations for Federal aid in vocational education with the 1955 budget and opposing proposed reductions for this work (p. A3257).

15. ST. LAWRENCE SEAWAY. Newspaper editorials, etc., on this project (pp. A3283, A3285, A3295-6, A3301-2).

16. ACCOUNTING. Extension of remarks of Rep. Jones, N. C., commending the record Lindsay C. Warren as Comptroller General, etc. (p. A3284).

17. CORN. Rep. Dolliver inserted an Iowa Development Bulletin article outlining history of the development of corn (p. A3291).

18. EXTENSION SERVICE; EDUCATION. Rep. Hillelson inserted a Missouri Farm Bureau News article discussing farming as a career and stating that many Mo. childr are finding that they like farming under the guidance of 4-H leaders and vocational agricultural instructors (p. A3305).

19. PRINTING. Rep. Jonas, N. C., inserted a Modern Lithography editorial commend GPO's recent reduction of 5% in its charges for printing (p. A3282).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 26, 1954
For actions of May 25, 1954
83rd-2nd, No. 96

CONTENTS

HIGHLIGHTS: Senate subcommittee completed mark-up of agricultural appropriation bill. Senate passed Army civil appropriation bill. House committee reported O&C land bill. House committee voted to report surplus-fish bill. Sen. Humphrey criticized Secretary's dairy program.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. The agricultural subcommittee of the Appropriations Committee completed its marking up of this bill, H. R. 8779, and voted to report the bill to the full Committee with amendments (p. D580).

2. FLOOD-CONTROL APPROPRIATIONS. Passed with amendments H. R. 8367, the Army civil functions appropriation bill. Senate conferees were appointed. (pp. 6671-9, 6683-90).

3. DAIRY PRICE SUPPORTS. Sen. Humphrey claimed the Secretary's dairy program has been a "failure" (pp. 6695-700).

4. INTERGOVERNMENTAL RELATIONS. Sen. Lennon was appointed to the Commission on Intergovernmental Relations, succeeding the late Sen. Hoey (p. 6658).

5. PERSONNEL. The Post Office and Civil Service Committee voted to report (but did not actually report) H. R. 7554, to provide compensation of certain employees when Government departments are closed by administrative order (p. D582).

6. ALASKA STATEHOOD. Sen. Malone inserted a petition from various people in Alaska requesting a referendum on statehood (pp. 6679-82).

7. RECLAMATION. H. R. 5731, to authorize reclamation work on the Santa Margarita River, Calif., was made the unfinished business (pp. 6691-2).

8. RECESSED until Thurs., May 27 (p. 6700).

HOUSE

9. FISHERY PRODUCTS. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) S. 2802, to earmark part of Sec. 32 funds for publicity, education, and research on fish and related products (p. D583).

10. FORESTRY. The Interior and Insular Affairs Committee reported with amendment H. R. 5958, relating to the administrative jurisdiction of certain O&C lands in Oreg. (H. Rept. 1677)(p. 6728).

11. LEGISLATIVE-JUDICIARY APPROPRIATION BILL, 1955. Passed with amendment this bill, H. R. 9203 (pp. 6705-18).

12. ELECTRIFICATION. The Interior and Insular Affairs Committee reported with amendment H. R. 8328, to authorize the transmission and disposition of electric energy generated at Falcon Dam on the Rio Grande (H. Rept. 1678)(p. 6728).

13. PUBLIC LANDS. The Interior and Insular Affairs Committee reported without amendment S. 1823, to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict (H. Rept. 1676) (p. 6728).

BILLS INTRODUCED

14. FORESTRY. S. 3509, by Sen. Watkins, to establish public use of the national forests as a policy of Congress; to Agriculture and Forestry Committee (p.6652).

15. FLOOD CONTROL. S. 3510, by Sen. Cordon, to provide for cooperation in financing and early development of the John Day project on the Columbia River; to Public Works Committee. Remarks of author. (pp. 6652-7.) Also H. R. 9307, by Rep. Coon; to Public Works Committee (p. 6729).

16. DAIRY INDUSTRY. H. R. 9267, by Rep. Laird, to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce, to stabilize prices of milk and dairy products, etc.; to Agriculture Committee (p. 6728).

17. ELECTRIFICATION. H. R. 9326, by Rep. Wolverton, to amend the Federal Power Act to provide that charges shall be paid by Federal power projects which are benefited by stream improvements constructed by other parties; to Interstate and Foreign Commerce Committee (p. 6730).

COMMITTEE HEARINGS RELEASED BY GPO

18. WOOL PRICE SUPPORTS, H. R. 7775. H. Agriculture Committee.

ITEMS IN APPENDIX

19. FORESTRY. Extension of remarks of Rep. Metcalf claiming that opposition to H. R. 6787, to protect interests of livestock producers in connection with Forest Service grazing lands, is growing and including some of the objections to the bill in a statement by the Emergency Committee on National Resources (pp. A3868-9).

20. TEXTILES. Extension of remarks of Rep. Howell discussing "the recession in the textile industry" and including a newspaper editorial, "Dying Textiles?" (pp. A3870-1).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 27, 1954
For actions of May 26, 1954
83rd-2nd, No. 97

CONTENTS

HIGHLIGHTS: Senate committee ordered reported USDA appropriation bill. House committee ordered reported bill authorizing GSA motor and furniture pools. Rep. Bailey claimed Tariff Commission is misinterpreting Trade Agreements Act escape clause. Senate committee ordered reported bill authorizing additional use of Government vehicles at isolated installations.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. The Appropriations Committee ordered reported (but did not actually report) this bill, H. R. 8779. As approved by the Committee, the bill would provide a total of $722,791,971, an increase of $2,689,317 over the House-passed figure of $720,102,654. (p. D587.) The total amounts for each item were released and are summarized in the table at the end of this Digest.

   Copies of the bill as reported, the committee report, and hearings will be distributed directly to the agency budget offices, as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. The agencies will receive the material at the same time this office will receive it. The material will not be distributed from this office. In general, copies should be obtained through the agency budget offices rather than from this office.

2. LAND TRANSFER; MOTOR VEHICLES; SURPLUS PROPERTY. The Government Operations Committee ordered reported (but did not actually report) H. J. Res. 300, providing for the conveyance to the Texas Hill Country Development Foundation of surplus lands in Kerr County, Tex., for use of 4-H clubs, etc.; S. 3199, to authorize additional use of Government motor vehicles at isolated Government installations; and S. 3243, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation (p. D589).

3. MEDICAL FACILITIES; EDUCATION. A subcommittee of the Labor and Public Welfare Committee ordered reported to the full committee H. R. 8149, to provide assistance to the States for surveying the need for diagnostic or treatment centers,

for hospitals for the chronically ill and impaired, for rehabilitation facilities, etc., and to provide assistance in the construction of such facilities; and S. 2759, to promote and assist in the extension and improvement of vocational rehabilitation services (p. D589).

HOUSE

4. PUBLIC LANDS. Concurred in the Senate amendments to H. R. 2512, to amend the Small Tracts Act so as to permit greater use of the public domain by individuals (p. 6734). This bill will now be sent to the President.

5. DISBURSEMENTS. House conferees were appointed on S. 2844, to extend for 1 year authority for certain banking transactions by U. S. disbursing officers (p. 6736). Senate conferees were appointed May 18.

6. MOTOR VEHICLES; FURNITURE. The Government Operations Committee ordered reported (but did not actually report) H. R. 8753, to amend the Federal Property and Administrative Services Act so as to authorize GSA to operate motor vehicle and furniture pools (p. D591).

7. FOREIGN TRADE. Rep. Bailey claimed that the Tariff Commission is violating "the spirit and letter" of the escape clause in the Trade Agreements Act (pp. 6775-88).

8. STOCKPILING. Rep. Philbin spoke on the need for conserving our critical national resources, accelerating our stockpiling program, stimulating the production of needed marginal facilities, promoting research in possible substitutes, etc., (pp. 6736-9).

9. ADJOURNED until Fri., May 28 (p. 6789). The call of the private calendar was postponed from Tues., June 1 to June 8 (p. 6771).

BILLS INTRODUCED

10. RECLAMATION. H.R. 9343, by Rep. Engle, to authorize the Sec. of the Interior to maintain the Sacramento River Channel in conjunction with operation and maintenance of the Central Valley project; to Interior and Insular Affairs Committee (p. 6789).

11. FORESTS. H.R. 9345, by Rep. Grant, granting the consent and approval of Congress to the southeastern interstate forest fire protection compact; to Agriculture Committee (p. 6789).

12. TARIFFS. H.R. 9347, by Rep. Jenkins, and H.R. 9349, by Rep. Mollohan, to amend the Tariff Act of 1930 so as to provide a permanent procedure for adjustment of tariff rates on a selective basis, to regulate the flow of imported articles on a basis of fair competition with domestic articles; to Ways and Means Committee (p. 6789).

13. MONOPOLIES. H.R. 9354, by Rep. Whitten, defining certain unfair trade practices; to Judiciary Committee (p. 6790).

UNITED STATES DEPARTMENT OF AGRICULTURE

Senate Committee Bill, 1955, Compared with House Bill, 1955

(Note.--Amounts for 1954 are adjusted for comparability with the appropriation structure proposed in the 1955 Senate Committee Bill.)

Agency or Item	Appropriations and Loan Authorizations, 1954	Budget Estimates, 1955	House Bill, 1955	Senate Committee Bill, 1955	Increase (+), or Decrease (-), Senate Committee Bill Compared with House Bill
ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:					
Agricultural Research Service:					
Research	$32,902,365	$35,353,000	$35,353,000	$35,353,000	- -
Plant and animal disease and pest control, and meat inspection	32,110,650	29,325,000	31,651,380	32,144,600	+493,220
Payments to State Experiment Stations	13,721,708	19,453,708	19,453,708	17,953,708	-1,500,000
Foot-and-Mouth and other contagious diseases of animals and poultry	- -	2,134,000	1,800,000	2,134,000	+334,000
Extension Service (principally payments to States)	35,294,564	43,600,000	43,485,000	43,600,000	+115,000
Forest Service	a/ 78,648,408	71,882,500	74,435,890	76,112,190	+1,676,300
Soil Conservation Service	59,504,279	55,378,000	59,445,671	59,565,671	+120,000
Watershed protection	5,000,000	5,000,000	5,000,000	5,000,000	- -
Flood prevention	6,982,000	5,739,000	6,982,000	7,482,000	+500,000
Agricultural Conservation Program Service	b/ 226,982,000	195,000,000	c/ 191,700,000	c/ 191,700,000	- -
Agricultural Marketing Service:					
Marketing research and agricultural estimates	8,702,200	10,215,000	10,215,000	10,215,000	- -
Marketing services	11,763,053	11,243,500	11,463,500	11,675,500	+212,000
Payments to States	573,000	900,000	900,000	900,000	- -

Repayment to Commodity Credit Corporation for certain grading and classing costs in 1952 and 1953	768,505	441,655	441,655	441,655	- -
School lunch program	83,236,197	68,000,000	83,464,000	83,236,197	-227,803
Foreign Agricultural Service	840,900	965,000	965,000	965,000	- -
Commodity Stabilization Service:					
Agricultural adjustment programs	44,312,000	42,500,000	40,000,000	41,750,000	+1,750,000
Sugar Act program	59,608,287	59,600,000	59,600,000	59,600,000	- -
Federal Crop Insurance Corporation	7,450,000	5,700,000	5,700,000	6,200,000	+500,000
Rural Electrification Administration (Salaries and expenses)	7,554,250	7,085,000	7,285,000	7,285,000	- -
Farmers' Home Administration (Salaries and expenses)	26,737,000	22,250,000	23,750,000	22,550,000	-1,200,000
All other	7,532,073	6,925,950	6,971,350	7,106,950	+135,600
Total, Annual Appropriations for Regular Activities	750,223,439	698,691,313	720,062,154	722,970,471	+2,908,317
Deduct amounts, included above, appropriated from other than the general fund of the Treasury	531,000	281,000	291,000	510,000	+219,000
Total, Annual Appropriations for Regular Activities from the General Fund of the Treasury	749,692,439	698,410,313	719,771,154	722,460,471	+2,689,317
SPECIAL ACTIVITIES:					
Research on agricultural materials or substitutes determined by the Office of Defense Mobilization to be strategic and critical as required by the Strategic and Critical Materials Stock Piling Act	439,500	331,500	331,500	331,500	- -
Disaster loan revolving fund (assistance to farmers and stockmen in drought-stricken areas)	130,000,000	- -	- -	- -	- -
Total, Special Activities	130,439,500	331,500	331,500	331,500	- -

PERMANENT APPROPRIATIONS:					
Removal of surplus agricultural commodities (30% of customs receipts)	169,954,002	180,000,000	180,000,000	+10,045,998	- -
All other permanent appropriations	29,751,352	29,895,587	29,895,587	+144,235	- -
Total, Permanent Appropriations	199,705,354	209,895,587	209,895,587	+10,190,233	- -
LOAN AUTHORIZATIONS:					
Rural Electrification Administration Loans	d/ 202,500,000	e/ 130,000,000	e/ 175,000,000	e/ 175,000,000	- -
Farmers' Home Administration Loans	182,000,000	145,500,000	145,500,000	148,000,000	+2,500,000
Total, Loans Authorizations	384,500,000	275,500,000	320,500,000	323,000,000	+2,500,000
CORPORATE ADMINISTRATIVE EXPENSE LIMITATION:					
Commodity Credit Corporation	f/ 20,000,000	18,000,000	18,000,000	18,000,000	- -

TREASURY CANCELLATION OF COMMODITY CREDIT CORPORATION NOTES:	Notes Canceled in 1954 Act for 1952 Program	Supplemental, 1954 for 1953 Program (P.L. 295)	Increase (+), or Decrease (-)
For restoration of capital impairment, Commodity Credit Corporation	$96,205,161	$550,151,348	+$453,946,687
For eradication of foot-and-mouth and other contagious diseases of animals and poultry	7,057,575	2,064,060	-4,993,515
To cover difference between cost of wheat purchased at domestic market price and receipts from sales at maximum price prescribed by the International Wheat Agreement	171,740,395	129,553,795	-42,186,600
Total, Treasury Cancellation of Commodity Credit Corporation Notes	275,003,131	681,769,703	+406,766,572

a/ Includes $4,500,000 for fighting forest fires appropriated in the Third Supplemental Appropriation Act, 1954.
b/ Includes $15,000,000 for payments to farmers for emergency wind erosion control measures, appropriated in Third Supplemental Appropriation Act, 1954.
c/ House and Senate Committee Bills authorize the formulation of a 1955 crop year program amounting to $250,000,000, of which only $195,000,000 would be available for commitment pending announcement of a program relative to the use of lands diverted from production.
d/ In addition, Act provides a contingency authorization of $45,000,000 for rural electrification loans.
e/ In addition, a contingency authorization of $35,000,000 is provided for electrification loans.
f/ Includes $2,900,000 authorized in Third Supplemental Appropriation Act, 1954.

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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For actions of May 27, 1954
83rd-2nd, No. 98

CONTENTS

HIGHLIGHTS: Senate committee reported USDA appropriation bill and Senate will begin its consideration Tues. House committee ordered reported bill to increase interest on farm-housing loans, etc., eliminating loan insurance at 100% appraised value. Sen. Schoeppel defended Secretary's dairy program.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. The Appropriations Committee reported with amendments this bill, H. R. 8779 (S. Rept. 1429) (p. 6796). For total amounts provided by the committee for each item see Digest 97.

2. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 7554, to provide compensation of certain employees when Government departments are closed by administrative order (S. Rept. 1470) (p. 6796).

3. DAIRY PRICE SUPPORTS. Sen. Schoeppel defended Secretary Benson's dairy price-support program, discussing reasons other than the reduction in price supports which have caused increased production, and inserting a Dairy Record article commending the Secretary's "courage" in reducing the dairy price-support level (pp. 6859-61).

4. RECLAMATION. Began debate on H. R. 5731, to authorize reclamation work on the Santa Margarita River, Calif. (pp. 6838, 6845-55, 6861-7). Agreed to limit debate beginning Fri. to 1 hour on any motion or amendment, and to 2 hours on the bill itself (p. 6861).

5. LEGISLATIVE PROGRAM as announced by Majority Leader Knowland: Tues., calendar, after which it is proposed to begin consideration of the agricultural appropriation bill; Wed., if action on the appropriation bill is completed, bills to facilitate railroad reorganization proceedings under the Bankruptcy Act, and to extend and amend the Renegotiation Act of 1951; Thurs., if preceding is disposed of, debate will begin on the housing bill (p. 6814).

COMMITTEE HEARINGS RELEASED BY GPO

6. VEHICLES. H. R. 4457 and H. R. 8753, to amend the Federal Property and Administrative Services Act so as to authorize GSA to operate motor vehicle and furniture pools. H. Government Operations Committee.

HOUSE

7. FARM LOANS. The Agriculture Committee ordered reported (but did not actually report) H. R. 8656, to expand the insured loan program for farm housing under the Bankhead-Jones Farm Tenant Act, amending the bill so as to eliminate the provision authorizing insurance of loans up to 100% of the appraised value (p. D596).

8. PUBLIC LANDS. The Agriculture Committee ordered reported (but did not actually report) H. R. 4928, to direct conveyance of part of the Animal Quarantine Station, Clifton, N. J., to the city. This bill was reconsidered, after having been ordered reported on May 21, and was ordered reported with amendments which would require the city to pay survey costs, and reserving mineral rights to the Federal Government (p. D596).

The committee also ordered reported H. R. 2762, to permit the use of National forest lands for industrial and commercial purposes (p. D596).

9. RECLAMATION. A subcommittee voted to report to the Interior and Insular Affairs Committee H. R. 8026, to provide for transfer of title to movable property to irrigation districts of water user's organizations under the Federal reclamation laws; and H. R. 8027, to extend the time during which the Interior Secretary may enter into amendatory repayment contracts under the Federal reclamation laws to Dec. 31, 1957 (now Dec. 31, 1954) (p. D597).

ITEMS IN APPENDIX

10. ELECTRIFICATION. Sen. Gore inserted his statement opposing S. 3434, a bill to require that any federally-owned power project must pay for benefits accruing from upstream development (pp. A3930-1).

11. FOOD PRICES. Sen. Hennings inserted Rep. Sullivan's recent address, "The Forgotten Consumer", criticizing low prices at the farm level and near record levels to the consumer (pp. A3934-5).

12. TVA. Sen. Kefauver inserted an Atlanta Journal and Constitution article criticizing the administration's attitude toward TVA (p. A3941).

13. FARM CLUBS. Sen. Johnson, Tex., inserted a Tyler (Tex.) Morning Telegraph article commending various "hobby-farmer" members for their contributions toward research in breeding of livestock, and soil conservation practices (p. A3941).

14. FLAMMABLE FABRICS. Extension of remarks of Rep. Patterson favoring his bill, H. R. 9193, to amend the Flammable Fabrics Act, so as to exempt from its application fabrics and wearing apparel which are not highly flammable (p. A3942).

Calendar No. 1438

83d Congress, 2d Session | SENATE | Report No. 1429

AGRICULTURAL APPROPRIATION BILL, 1955

May 27 (legislative day, May 13), 1954.—Ordered to be printed

Mr. Young, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 8779]

The Committee on Appropriations, to whom was referred the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House (direct appropriations)	$720, 102, 654
Amount of increase by Senate committee (net)	2, 689, 317
Amount of bill as reported to Senate	722, 791, 971
Amount of appropriations, 1954	880, 131, 939
Amount of estimates for 1955	698, 741, 813
The bill as reported to the Senate:	
Under the appropriations for 1954	157, 339, 968
Over the estimates for 1955	24, 050, 158

General Statement

The amount of the bill as it passed the House was $720,102,654, which was $21,360,841 over the estimates of $698,741,813.

The Senate committee recommends increases totaling $5,617,120 and decreases totaling $2,927,803, for a net increase of $2,689,317 over the House bill.

The total amount of the bill recommended by the Senate committee is $722,791,971, which is $24,050,158 over the estimates of $698,741,813.

The budget estimates for the items in this bill are less than 2 percent of the President's $56 billion budget for the fiscal year 1955. This means that a very small part of the total budget is devoted to a segment of our economy which, admittedly, is so vitally important to the economic health of the Nation. The committee believes it is not generally understood that all of the agricultural programs in the bill represent less than 2 cents out of each dollar requested by the President for the Government as a whole.

Appropriations to the Department of Agriculture have not been increasing over the past 20 years. In fact, the largest appropriations were made some 15 years ago, and since that time the Department has been assigned such additional functions as the administration of the National School Lunch Act and the Research and Marketing Act of 1946.

Comparisons of agriculture with other functions of Government are difficult to make on a historical basis because of the reassignment of functions and other factors. Such a comparison is shown, however, on page 1499 of part 3 of the House hearings and on page 996 of the Senate hearings on the 1955 agricultural appropriation bill. This shows that since 1940 agricultural appropriations have decreased 30 percent, while those of other civilian agencies have increased very substantially. The comparison shown in the Senate hearings is as follows:

Annual Federal appropriations to several Cabinet-level departments

[In millions]

Department	Fiscal year 1940	Fiscal year 1954	Percent increase
Agriculture	$1,061.8	[1] $735	[1] −30.8
Commerce	75.4	1,031	1,367.4
Interior	173.6	659	379.6
Justice	51.9	184	354.5
Labor	18.6	321	1,725.8
Post Office	761.8	669	−12.2
State	22.9	317	1,384.3

[1] For regular activities.

Commodity Credit Corporation

PRICE SUPPORT AND RELATED PROGRAMS

This bill contains no funds for financing the price-support operations of the Commodity Credit Corporation. In order to permit the price-support programs to go forward without violating the then-existing limit on the Corporation's borrowing authority, the Congress enacted an emergency measure, Public Law 295, approved February 12, 1954, in advance of the regular appropriation bill. That measure provided for cancellation of notes of the Corporation to the Secretary of the Treasury in the amount of $550,151,848. As seen from the following table, this is the largest amount of restoration (exclusive of wartime consumer subsidies) since inception of the price-support programs.

CCC restorations of capital impairment

Fiscal year	Action	Amount
1934–38	Net restoration by Congress	$94, 285, 405
1939–45	Net payments to Treasury	[1] 59, 569, 205
1946	Payment to Treasury	[1] 208, 705, 074
1947	Restoration by Congress	12, 081, 998
1948	Payment to Treasury	44, 917, 881
1949	Restoration by Congress	68, 934, 235
1950	do	421, 349, 156
1951	do	109, 132, 783
1952	do	96, 471, 584
1953	do	550, 226, 471
	Total to date	1, 039, 289, 476

[1] Exclusive of wartime consumer subsidies.

The restoration allowed by Congress for 1953 was based primarily on the Treasury appraisal of the assets and liabilities of the Corporation as of June 30 and took into consideration the large inventories held by CCC on that date. The restoration of capital impairment for prior years, back to 1938, were likewise based on Treasury appraisals as required by the act of March 8, 1938, which specified that inventories were to be valued at cost or the average market price for the month of June, whichever is lower. With the increase in borrowing authority authorized by Public Law 312 approved March 20, 1954, the appraisal method was amended by striking out the criterion of market price in valuing inventories. The effect of the amendment is to base all future capital restorations on losses actually realized by the Corporation. Also, under the terms of Public Law 312, future restorations of capital impairment are required to be made by appropriation rather than through the cancellation of notes. Therefore, subsequent appropriation acts for this Department will carry appropriations for this purpose from time to time.

The actual realized losses on the basic and nonbasic commodities which receive CCC price support are, from inception, as follows:

Realized losses on price-support programs from inception, Commodity Credit Corporation [1]

Fiscal years	Basic commodities (corn, cotton, wheat, rice, peanuts, and tobacco)	Designated nonbasic (butter, cheese, dried milk, honey, potatoes, and tung oil)	All other nonbasic (beans, eggs, flaxseed and linseed oil, grain sorghums, etc.)	Total
1934–41	$55, 787, 335	$176	$4, 602, 190	$60, 389, 701
1942–46	+182, 568, 944	41, 031, 385	15, 944, 584	+125, 592, 975
1947–50	80, 991, 915	486, 147, 833	134, 103, 927	701, 243, 675
1951	5, 284, 869	174, 027, 018	166, 286, 667	345, 598, 554
1952	15, 417, 947	1, 283, 599	50, 650, 030	67, 351, 576
1953	45, 897, 809	5, 324, 994	10, 013, 555	61, 146, 358
1954 through Mar. 31	73, 336, 279	42, 916, 981	70, 526, 167	186, 779, 427
Total	94, 057, 210	750, 731, 986	452, 127, 120	1, 296, 916, 316

NOTE.—(+) denotes realized gain.

[1] The above table relates only to the activities of the Commodity Credit Corporation and does not include or relate to expenditures made by the Department of Agriculture under sec. 32, parity payments, or any other activities financed with funds provided by the agricultural appropriation bill.

Less than $95 million of this total of losses by the Commodity Credit Corporation, exclusive of other agricultural programs, over a 20-year period was incurred in the support program for the basic commodities which are mandatory under existing law. There is wide discretion in the Department in formulating the programs for the nonbasic commodities which have resulted in the greater portion of the total losses.

In this difficult postwar period, it is to be expected that the operations of the price-support programs would be at a higher level than in any other period and that CCC losses will be high. It is just such a time as this, a period of abundant food supply, when prices received by farmers for their products are low and prices paid for things they have to buy are high that the price-support program can accomplish its greatest good, stabilizing, supporting, and protecting farm income and prices. A healthy farm economy is basic to a strong national economy.

Surplus disposal

The committee feels that more positive action should be taken by the Department in disposing of agricultural surplus, both at home and abroad. Up to this time, for example, no significant progress has been made in disposing of dairy surpluses. A butter disposal program, which has been supported by most farm groups, has been under consideration in the Department, but so far, no concrete action is evident. The committee believes a program for domestic disposal of perishable surpluses is long overdue.

Under section 32, the Department makes surplus commodities available, through State distributing agencies, to public or nonprofit private schools, public or private welfare agencies, and charitable institutions. The Department should take immediate action to develop a more aggressive program. Steps should be taken to make surpluses more readily available to charitable organizations such as old people's homes, individuals on relief, nonprofit hospitals, and similar organizations.

INCREASES AND LIMITATIONS

The changes recommended by the committee in the amounts of the House bill are as follows:

AGRICULTURAL RESEARCH SERVICE:

Research:

This committee, over the years, has believed strongly in the need for greater research in agriculture. The importance of research to our farmers and the Nation has been well recognized. Research has been the foundation of all our really big advances in agricultural industry. With an expanding population and an increasing demand for food and fiber products, there is an urgent need to expand efforts in the search for more efficient production, processing, and marketing of farm products.

In 1953, we were using 480 million acres of cropland equivalent to supply food and fiber for domestic human consumption. This figure includes the actual cropland plus the cropland equivalent of the pasture and grazing lands used. This was more than sufficient for our current needs as evidenced by the present diversion of some 25 million acres out of production of wheat, cotton, and corn. Looking ahead to 1975, however, we will need

INCREASES AND LIMITATIONS—Continued

Agricultural Research Service—Continued
Research—Continued

the output of more than 140 million more acres than we are now using if our population is to be as well provided for as now.

It seems likely that net additions to our cropland base of 25 to 30 million acres and further release of 10 to 15 million acres from feeding horses and mules will provide about 40 million acres of this requirement. (By comparison, the decrease in horses and mules since 1915 has released more than 75 million acres of cropland plus an additional large acreage of pasture.) This leaves a significant deficit of more than 100 million acres.

In face of this situation, the committee feels we must strengthen research in order to get both increased and more efficient production for the long run. Also we need more research to find new uses and new markets now.

Experience has shown that research can provide the knowledge necessary for more efficient production. It can show us how to cut down the tremendous toll taken each year by weeds, diseases, and insects, and to reduce the losses that take place in marketing channels. Throughout our history, efficient and low-cost production has always been a necessary ingredient in the expansion of agriculture and industry.

The Department's research program has a commendable record. Americans are eating better—eating more of the protective foods, such as milk, eggs, vegetables, and fruits. The Department's research has had a considerable share in the sweeping changes in the food habits of the Nation. Agricultural chemists have found ways to modify inedible animal fats, which are piling up in surplus, and put them to use in industry. One of the biggest new outlets is in making plastics—a potential market that can reduce the yearly surplus of fats. The frozen orange juice concentrate industry this year is expected to take about half the record-breaking Florida orange crop. Ten years ago this industry didn't even exist. Discovery of the value of antibiotics in poultry feed is saving the broiler producers millions of dollars worth of feed a year and putting broilers on the market 3 weeks younger. Agricultural research made all this progress possible.

Despite these achievements, the committee believes that the research program can be improved if the Agricultural Research Service adhered more closely to the recommendations of its various advisory groups when requesting additional funds. The committee was amazed to find that in certain phases of the research only a small part of the advisory groups' recommendations was being implemented. In the case of field crops the record is even worse. The advisory groups on field crops made a number of high-priority recommendations, yet the Department did not see fit to include any increases to implement any of the recommendations. Farmers are being faced with more and more problems in their battle to raise these crops so important to the Nation's welfare. It is obvious that the Department needs to give more consideration, when requesting funds, to the recommendations of its advisory groups which were established to assist the Department in effectuating the research program.

The committee believes, further, that the Research Service has not followed, or has been reluctant to give more emphasis to, certain lines of research about which

INCREASES AND LIMITATIONS—Continued

Agricultural Research Service—Continued
Research—Continued

the House and Senate committees have been greatly concerned. The Congress has found it necessary, particularly on grain research, for the past several years to include or earmark additional funds for work on diseases and insects attacking our basic grain crops. Funds have been provided by the Congress for such work as wheat smut, wheat stem rust, wheat stem sawfly and for investigations on barley, oats, and other grains. The committee believes that inadequate funds have been made available by the Department for research on these major crops. Future increased demand for food and the constant threat posed to our food supply from new types of diseases make increased research on our basic food crops more important than ever before. The Department has not paid enough attention to these crops and others of great importance, such as cotton, nor has it followed the feeling of Congress as to the need for more research on these crops. The Department, however, has not hesitated to ask repeatedly for funds in other fields of work which the Congress has indicated at times was of lesser importance.

With this in mind, the committee agrees to the increase of $2,450,635 in the House bill, which is the same as the budget request, but directs the Department, within the total of $35,353,000 recommended for this item, to provide for the following increases:

1. Cereal crop research:	
Oats (to provide a total of $154,200)	$50,000
Wheat (to provide a total of $885,902)	100,000
Corn (to provide a total of $508,000)	50,000
Barley (to provide a total of $238,600)	35,000
Flax (to provide a total of $67,300)	20,000
Rice (to provide a total of $103,100)	40,000
2. Soybean crop research (to provide a total of $301,100)	100,000
3. Cottonseed research, for cold-resistant cottonseed. This increase will permit work on the development of cotton varieties or strains that will germinate well in cool weather and that are resistant to cold in the seedling stage	40,000
4. Cotton ginning in the Southeast. There is urgent need for a branch ginning laboratory in the Southeast to aid in solving the cotton ginning problems peculiar to that area. Development of mechanical methods of growing and harvesting cotton has caused many complex problems relating to the preservation of fiber quality. These problems not only retard the mechanization of Cotton Belt farms, but they also jeopardize cotton's competitive position	100,000

In order that funds may be used for necessary construction

INCREASES AND LIMITATIONS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

Research—Continued

and land acquisition the committee recommends the following be added to the bill:

and of which not to exceed $100,000 shall be available for the construction of a cotton ginning laboratory in the Southeast, including acquisition of necessary land.

5. National arboretum: To restore $20,000 of the total of $38,000 being used this year for development of physical facilities at the arboretum. The budget and House bill proposed elimination of all funds for such development $20,000

Total increases to be absorbed 555,000

Plant and animal disease and pest control $358,220

The committee generally approves the position taken by the House committee with respect to the importance of plant and animal disease and pest control programs and is opposed to the Department's recommendations that Federal participation in certain cooperative activities be discontinued or sharply curtailed. Although the committee feels that the States and local interests could well share a much larger financial responsibility, appropriations for Federal activities should not be reduced, with the danger of crippling the programs, until such time as appropriate agreements are worked out with the States. Insect problems cut across State lines and it is essential that Federal programs be maintained until the States are in a position to assume a greater share of the responsibility.

The increase recommended by the committee is to provide a total of $17,819,600, which is $101,050 below the 1954 appropriation, as follows:

Citrus blackfly and Mexican fruitfly control (to provide total of $227,500, the same as 1954, and $29,500 above the budget)	$29,500
Hall scale eradication (to provide total of $104,300, the same as 1954 and the same as the budget)	35,200
Insect detection and advisory service (to provide total of $366,800, the same as the budget, and $20,800 below 1954)	66,800
Insecticide, fungicide and rodenticide Act (to provide total of $532,250, the same as the budget, and $55,350 below 1954)	21,413
Plant quarantine (to provide total of $2,686,400, the same as 1954 and the budget)	86,400
Eradicating scabies (to provide total of $173,954, the same as 1954 and the budget)	18,547
Eradicating cattle ticks (to provide total of $385,109, the same as 1954 and the budget)	58,552

INCREASES AND LIMITATIONS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

Research—Continued

Control of manufacture, importation, shipment and marketing of viruses, serums, toxins, etc. (to provide total of $540,282, same as 1954 and the budget $41,808

Eradicating tuberculosis and brucellosis:

The House provided $873,500 for tuberculosis indemnities, an increase of $200,000 above the amount appropriated for 1954. The committee agrees that this amount is urgently needed, especially in view of increased action in many States to eliminate brucellosis and tuberculosis reactor animals in response to urgings of public health officials. Continuation of indemnities should also encourage the culling of low producers from dairy herds as a means of reducing uneconomic production.

However, the House, in providing $873,500 for indemnities, stated that:

"Offsetting these decreases, the bill provides an increase of $200,000 for the payment of indemnities under the tuberculosis and brucellosis eradication programs. In view of the seriousness of the threat to the health of the people of the country from these 2 animal diseases, the committee feels that at least $1 million should be set aside to make certain that adequate funds are available for such indemnity payments next year. It is expected that, because of lower income to dairy farmers, considerable culling of dairy herds should result. This in turn will increase the need for a larger indemnity fund than in previous years because of the probable slaughter of many more reactors than has occurred in the past. This action is not intended to increase the level of payments under the program."

This committee believes that only the amount carried in the bill ($873,500) should be set aside for the purpose of indemnities, since adherence to the House committee report would result in shifting $126,500 from supporting technical services furnished by the Department in brucellosis ring testing, blood testing, and calf vaccination. These services are of utmost importance to the work and should not be jeopardized. As stated above, the amount of $873,500 carried in the bill represents a $200,000 increase above indemnity funds provided for the current year.

MEAT INSPECTION $135,000

The increase recommended by the committee is to provide the estimate of $14,325,000. The increase is needed to cope with the workload arising from increases in numbers and locations of inspected establishments, and in the volume and kinds of meat inspected.

INCREASES AND LIMITATIONS—Continued

FOOT AND MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY, RESEARCH		$334,000

The increase recommended by the committee is to provide the estimate of $2,134,000. The increase will enable the Department to initiate research on foot-and-mouth disease on a minimum basis in laboratory facilities on Plum Island, N. Y., transferred from the Chemical Corps of the Department of the Army.

Total increases, Agricultural Research Service		827,220
EXTENSION SERVICE:		
Penalty mail		115,000

The increase recommended by the committee is to provide the estimate of $2,000,000, to reimburse the Post Office Department for the costs of mail for the county agricultural agents, home demonstration agents, 4–H Club agents and other cooperative extension workers, as required by Public Law 286, 83d Cong. The increase recognizes the need to finance these mailings on a full-year basis, and the heavier volume due to the enlarged extension program in the State.

Total increase, Extension Service		115,000
FOREST SERVICE:		
National forest protection and management		727,300

The increase recommended by the committee is to provide a total of $30,860,000, which is $101,700 below 1954, and $1,925,000 above the budget estimate. The increase is for the following:

Maintenance of improvements (to provide a total of $2,978,000, the same as 1954 and $283,000 above the budget)	$150,000
Forest rangers, forest supervisors, and other multiple activity employees (to provide a total of $7,750,000, which is $50,000 below 1954, and $162,300 above the budget)	162,300
Management of land-utilization projects under title III of the Bankhead-Jones Act (to provide a total of $1,150,000, which is $98,000 below 1954, and $415,000 above the budget)	415,000
Total increases	727,300

The committee's attention was called to the proposed reduction in assistance to the land utilization project MS–LU–8 located in Choctaw, Winston, and Oktibbeha Counties, Miss. While no specific amount is specified for this purpose, the committee believes this matter can be handled administratively by the Forest Service, and suggests that the Department and the parties get together in an effort to renegotiate the contract involved.

Within the funds available to the Forest Service, the Department is directed to maintain in operation the nursery at Eveleth, Minn.

INCREASES AND LIMITATIONS—Continued

FOREST SERVICE—Continued

Control of forest pests $215,000

The net increase of $215,000 restores the budget estimate for this appropriation and represents a net reduction of $271,354 below 1954. The net increase above the House bill is composed of the following:

White pine blister rust control:	
Control of national forests	+$110,000
Control on State and private lands	−330,000
	−220,000
Forest Pest Control Act	+435,000
Net increase	+215,000

The committee is advised that the spruce budworn is a great menace in the Montana-Idaho area, particularly in the Boise and Payette National Forests. The committee suggests that the Department apply a substantial sum for control work in this area.

The committee also recommends that the amount to be apportioned for use pursuant to section 3679, Revised Statutes, be increased from $1,750,000 to $2,185,000.

Forest research 390,000

The committee recommends increases totaling $390,000, as follows:

To accelerate investigations in timber growing, harvesting, and utilizing forest crops in southern Illinois. This additional research is urgently needed to assist in the rehabilitation of the depleted forests in the coal-mining areas of southern Illinois, southeastern Missouri, western Kentucky, and southwestern Indiana, resulting in more healthy forests, increased utilization by new industries, and improvement of the general economy of the area	$150,000
To establish a forest research center in eastern Kentucky to carry out studies on forest management, harvesting, and utilization	40,000
To accelerate hardwood forest management studies at Bartlett Experimental Forest in New Hampshire, including watershed studies applicable to Maine, New Hampshire and Vermont	25,000
To establish a forest research station in Georgia to strengthen research on Piedmont hardwoods. The Piedmont area to which this work would be applicable is a large forest area extending over several Southern States, containing hardwoods which have been largely neglected in the past but constitute an important potential resource for raw materials for furniture manufacturers and other wood-using industries	175,000
Total	390,000

INCREASES AND LIMITATIONS—Continued

Forest Service—Continued

Forest roads and trails:

The commiteee approves the amount of $16,000,000 provided in the estimate and the House bill, and suggests that the Department submit as promptly as possible estimates of funds necessary for carrying out the program authorized in the Forest Highway Act of 1954 for forest roads and trails.

Acquisition of lands for national forests, Weeks Act $50,000

The increase of $50,000 is to accelerate the purchase of certain trust allotment lands belonging to the Chippewa Indians. The lands in question are mostly adjacent to the Chippewa National Forest. Due to complicated heirship problems, the Indians are anxious to sell, and recent legislation gave authority to the Department of the Interior to sell the land for the Indians.

State and private forestry cooperation 75,000

The increase recommended by the committee is to provide a total of $9,449,500, the same as 1954, for cooperation with the States in forest fire control on State and private forest lands, under the Clark-McNary Act.

Cooperative range improvements:

The committee recommends an increase of $219,000 in the funds derived from grazing receipts, to provide a total of $500,000, which is $31,000 below 1954, and $219,000 above the budget. These funds will be derived from grazing receipts collected during the calendar year 1953, pursuant to the Granger-Thye Act, and are used mainly for construction and maintenance of fences, stock watering facilities, corrals, etc., to protect and improve the productivity of the range.

Total increases, Forest Service 1,457,300

Soil Conservation Service:

Conservation operations 120,000

Of the 9 nurseries being retained for experimental purposes, 5 are expected to be operated by non-Federal cooperating agencies under agreements. The committee agrees with the House in desiring that the Department continue to operate the remaining 4 nurseries as observational and research facilities. The budget included $30,000 for each of these 4 nurseries on the assumption that they too would be operated under cooperative agreement. Continued operation as Federal nurseries will require an additional $30,000 each, or a total of $120,000 to assure proper care and maintenance of growing nursery stock during the period of transition from production nurseries to strictly research and observational nurseries.

With the funds available under this appropriation, the Soil Conservation Service is requested to keep in operation the nursery at Aberdeen, Idaho, until there is opportunity for the State legislature to provide funds for this purpose, in accordance with the Department's plan to turn this nursery over to the university.

Flood prevention $500,000

The increase recommended by the committee is to provide a total of $7,482,000, an increase of $500,000 above 1954. Flood prevention works of improvement

INCREASES AND LIMITATIONS—Continued

Soil Conservation Service—Continued

on the 11 watersheds authorized under the flood control acts are far behind schedule, and it has been possible to accomplish less than one quarter the work originally authorized because of the limited amount of funds appropriated to date. This increase, in addition to the increase provided by the House, will permit some further acceleration of measures to protect vital agricultural resources.

Total increases, Soil Conservation Service	$620,000

Agricultural Conservation Program Service:
Advance authorization for 1955 crop year:

THE DIVERTED ACREAGE PROBLEM

With the institution of acreage control programs on 1954 wheat, cotton and corn and the virtual certainty of continuance of acreage allotments on those crops in 1955, it is estimated that approximately 30,000,000 acres are available for planting to other crops. Unless a substantial portion of the diverted acres can be guided into soil conserving uses and thereby removed from production of nonallotment crops already in adequate supply, the imbalance brought about will be of serious consequence. For planning their operations during the coming year, farmers need to be informed regarding the possible alternative uses of their lands including the types of conservation practices for which the Government will lend assistance.

It is understood that the Secretary is authorized to announce limitations on the use of diverted acres as a condition of eligibility for price support and intends to exercise the authority as indicated in his request for a $250,000,000 authorization for the 1955 agricultural conservation program. However, he has neither outlined the limitations to be imposed nor has he stated the kind of ACP program intended. This committee is concerned regarding the lack of a specific program for diverted acres. Both the House committee and the Senate committee asked earnest questions regarding the Department's views with respect to what use will be made of these diverted acres, and particularly as to how the $250,000,000 ACP payments authorization will be used in this diverted-acres program. By this time, the Department should have been able to better advise the committee as to what portion of the $250,000,000 will be used on diverted acres, and for what purposes.

The committee feels that it cannot properly perform its duties on the appropriation without knowledge of the program of the Department for the use of these diverted acres.

In agreeing to the House action in providing an authorization of $250,000,000 for the 1955 program, the committee recommends restoration of the budget language relating to the increase of $55,000,000 in contemplation of a program on diverted acres.

The committee recommends that the following be stricken from the bill:

> but of this amount not more than $195,000,000 may be used until a final program has been adopted relative to the use of acreage, diverted from production.

INCREASES AND LIMITATIONS—Continued

Agricultural Conservation Program Service—Continued

and that the following be inserted in lieu thereof:

but a program of only $195,000,000 shall be announced unless or until the Secretary has announced, as a condition of eligibility for price support, limitations on the use of land being diverted from crops under acreage allotments in 1955.

The purpose of this change is to assure prompt announcement of the $250,000,000 program upon announcement by the Secretary of limitations on use of diverted acres as a condition of price support, rather than waiting until "a final program has been adopted" as required in the House language.

The committee expects the $195,000,000 provided in the permanent program to be distributed among the States as it has been in the past, and has inserted language in the bill to accomplish this purpose. The committee also expects the Department to appear before the Appropriations Committees of the House and Senate and secure their approval before putting into effect any special practices or allocations for diverted acres from either the $195,000,000 authorization for the permanent program or the additional authorization of $55,000,000.

The committee recommends that the following provision be inserted in the bill:

: Provided, that the funds available for payments and grants from said sum of $195,000,000 shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program

The committee also recommends that the following be stricken from the bill:

including not to exceed $6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States;

Retention of this language is not necessary since adequate provision for the preparation and display of departmental exhibits is contained in the annual appropriation language under the item "Office of Information." Therefore, deletion of the language is recommended.

Agricultural Marketing Service:

Marketing services	$212,000

The increase recommended by the committee is to provide a total of $11,675,500, which is $87,553 below 1954, and $432,000 above the budget estimate:

The increase is for the following:

Livestock market news service at Houston, Tex., to be financed on a matching basis	$6,000	
Fruit and vegetable market news service for Arizona for 9 instead of 6 months service, to be financed on a matching basis	$6,000	
For indirect overhead costs of poultry and egg inspection services in lieu of charging fees for such costs	$200,000	
Total increase, Agricultural Marketing Service		212,000

INCREASES AND LIMITATIONS—Continued

COMMODITY STABILIZATION SERVICE:

Agricultural adjustment programs $1,750,000

This appropriation finances the work on acreage allotments and marketing quotas for tobacco, peanuts, wheat, cotton, and corn.

The increase recommended by the committee is to provide a total of $41,750,000, which is $2,562,000 below 1954, and $750,000 below the budget estimate. The increase is needed in order to avoid undue delay, particularly in wheat and cotton, in issuing marketing quota cards to establish the quantity which the farmer can market without penalty. Also involved is the effective checking of performance essential to compliance with mandatory acreage allotment and marketing quota programs.

Sugar Act:

The committee recommends an increase of $48,000 in the limitation on administrative expenses to permit payment of a newly established 25 percent cost-of-living allowance to Federal employees in Puerto Rico and the Virgin Islands. No increase in the appropriation is involved.

Total increase Commodity Stabilization Service 1,750,000

FEDERAL CROP INSURANCE CORPORATION 500,000

The budget proposed language to shift to premium income, 2 elements of expense previously charged to the appropriation for administrative expenses, as follows:

(1) Direct costs of loss adjustment and crop inspection.

(2) Commissions for the sales and servicing of new insurance contracts to the extent not provided for in the appropriation.

The House agreed to the 1st proposal, but denied the 2d. While the committee agrees with the House in refusing to shift the cost of commissions on new contracts to premium income, it is, at the same time, imperative that funds be available to pay commissions on new business that may be secured by the insurance agents. Therefore, the committee has added $500,000 for use, to the extent needed, to make sure that it will not be necessary to restrict new sales and thus to jeopardize the retention of good agents, or forgo desirable spread of risk by means of new business.

Total increase, Federal Crop Insurance Corporation 500,000

INCREASES AND LIMITATIONS—Continued

Rural Electrification Administration:

Electrification loans:

The committee concurs in the House action in increasing the loan authorization by $45,000,000 above the budget. It is felt that adequate funds will be available in 1955 as follows:

Loan authorization	$100, 000, 000
Contingency authorization	35, 000, 000
Carryover from 1954	49, 919, 203
Rescissions of prior year loans	8, 000 000
Total funds	192, 919, 203

The committee expects the Department to utilize the available loan funds to the full extent necessary in making electrification loans on a sound basis of feasibility.

Salaries and expenses:

The committee feels that the amount recommended for salaries and expenses should be used by the Rural Electrification Administration to the extent necessary to provide adequate funds to handle new problems and developments in both the electrification and telephone programs, including the additional workload occasioned by the increased loan authorizations, and the giving of appropriate attention to the possibility of utilization of atomic energy for electric power generation in rural areas.

Farmers' Home Administration:

Production and subsistence loans:

The committee recommends an increase of $2,500,000 in production and subsistence loans, making a total of $122,500,000 authorized to be borrowed from the Treasury for this type of loan.

This small increase will provide but a portion of the demands for farm-operating loans to deserving farmers and stockmen who cannot secure credit from other sources

Office of Solicitor $60, 000

The increase recommended by the committee is to provide a total appropriation of $2,060,000, which is $251,000 below 1954 and $38,000 below the budget estimate. This appropriation was reduced $52,000 in 1952 and under the House bill would be reduced another $311,000. The committee is convinced that this reduction is too severe, and has restored $60,000 of the $98,000 requested by the Department.

INCREASES AND LIMITATIONS—Continued

OFFICE OF THE SECRETARY $60,000

The increase recommended by the committee is to provide a total appropriation of $2,110,000, which is $78,000 below 1954 and $9,000 below the budget estimate.

This appropriation finances not only the immediate Office of the Secretary, but also the Office of Personnel, the Office of Budget and Finance, the Office of Plant and Operations and the hearing examiners. This appropriation was reduced by $39,133 in 1954, and under the committee recommendation is reduced an additional $78,000 for 1955. Average employment is 214 less than 10 years ago, or a reduction of 40 percent. The committee believes that minimum provision must be retained for general policy direction of the Department's varied program responsibilities, and for discharging the Department's responsibilities under laws and regulations relating to personnel, budget control, accounting, property, procurement, communications, space, and other necessary administrative activities.

OFFICE OF INFORMATION 15,600

The increase recommended by the committee is to provide a total of $1,196,000, which is $55,000 below 1954. The increase will make it possible for the Office of Information to more adequately assist new farm television stations to furnish up-to-date information on farm operations, marketing, homemaking and other phases of rural living through television programs reaching farm families.

The committee concurs in the House action in adding $228,000 to the budget to retain the yearbook of Agriculture. In order that the yearbook may be printed, however, it is necessary to provide a corresponding increase in the limitation on the amount of this appropriation which may be used for printing. Therefore the committee recommends that the limitation be increased from $324,000 to $537,000.

TITLE IV—FARM CREDIT ADMINISTRATION:

This organization became an independent agency on December 4, 1953, pursuant to the Farm Credit Act of 1953, approved August 6, 1953 (Public Law No. 202). To indicate its independent status, the committee recommends that the title and the citation of the bill be amended to include the Farm Credit Administration.

TITLE V—GENERAL PROVISIONS:

Section 501:

The committee recommends an increase of 121 in the limitation on the number of replacements of passenger motor vehicles to provide a total of 621 as proposed in the budget estimate. In the last 4 years the Department has made a reduction of 426 in the total number of vehicles and additional reductions are anticipated in 1955. The committee believes that the inability to replace inefficient or uneconomical units tends to lessen the possibility of making still further reductions without impairing the effective conduct of the work of the Department, most of which must necessarily be performed on farms and in the forests, where public transportation is not available. The committee is advised that even after replacement of the 621 vehicles authorized by the committee, 15 percent of the Department's vehicles would exceed the prescribed replacement standard of 6 years of age, or 60,000 miles of use.

Total increases 5,617,120

DECREASES

AGRICULTURAL RESEARCH SERVICE:

Payments to State agricultural experiment stations $1,500,000

The decrease recommended by the committee is to provide a total of $10,000,000 for payments to States under title I, secs. 9 and 11, of the Bankhead-Jones Act, as amended by the Research and Marketing Act of 1946. The amount recommended by the committee represents an increase of $4,000,000 above 1954 under said sections. The committee also approves the increase of $232,000 for payments to States under sec. 204 (b) of the Agricultural Marketing Act of 1946, as proposed in the budget and approved by the House.

AGRICULTURAL MARKETING SERVICE:

School-lunch program 227,803

The committee concurs in the action of the House in restoring $15,000,000, together with necessary operating expenses, for purchases of commodities under sec. 6 of the National School-Lunch Act, for distribution to States and schools to assist them in meeting nutritional requirements. However, the amount carried in the House bill is $227,803 above 1954, and the committee sees no reason to retain this excess. With the amount of $83,236,197 recommended by the committee, cash payments to States ($67,010,000), sec. 6 purchases ($15,000,000), and operating expenses ($1,226,197) will all be financed at the full 1954 fiscal year level.

FARMERS' HOME ADMINISTRATION:

Salaries and expenses 1,200,000

The decrease recommended by the committee is to provide a total of $22,550,000, which is $4,187,000 below 1954 and $300,000 above the budget estimate.

The House increased this item by $1,500,000 above the budget, of which the committee recommendation retains $300,000. The reductions proposed in the budget were based on elimination of unnecessary positions in the Washington office, consolidation of 4 area finance offices into 1, reductions in State offices through decentralization of some work to county offices, and by consolidating county offices where the workload does not warrant their retention. Personnel has already been reduced to conform to these changes.

The amount recommended includes an estimated $92,000 to pay the cost of the newly established 25 percent salary differential for Federal employees in Puerto Rico and the Virgin Islands.

Total decreases	2,927,803
Total increases	5,617,120
Less total decreases	2,927,803
Net increase	2,689,317
Amount of bill as reported to Senate	722,791,971

PERMANENT AUTHORIZATIONS

Agency and item	Authorizations, 1954	Estimates, 1955	Increase or decrease
Forest Service:			
Expenses and refunds, brush disposal	$2,600,000	$2,600,000	
Forest-fire prevention	25,000	35,000	+$10,000
Payments to Minnesota, national forests fund	45,332	45,332	
Payments to counties, submarginal land program	437,500	362,500	−75,000
Payments to school funds, Arizona and New Mexico	122,755	122,755	
Payments to States and Territories, national forests fund	18,649,794	18,800,000	+150,206
Roads and trails for States, national forests fund	7,460,971	7,520,000	+59,029
Total, Forest Service	29,341,352	29,485,587	+144,235
Agricultural Marketing Service:			
Perishable Agricultural Commodities Act fund	410,000	410,000	
Removal of surplus agricultural commodities	169,954,002	180,000,000	+10,045,998
Total, Agricultural Marketing Service	170,364,002	180,410,000	+10,045,998
Total, permanent appropriations	199,705,354	209,895,587	+10,190,233

LOAN AUTHORIZATIONS

(TITLE I)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Authorizations, 1954	Estimates, 1955	House bill
Rural Electrification Administration:							
Electrification	$135,000,000	$55,000,000	$100,000,000	$100,000,000	−$35,000,000	+$45,000,000	
Telephone	67,500,000	75,000,000	75,000,000	75,000,000	+7,500,000		
Total, Rural Electrification Administration	202,500,000	130,000,000	175,000,000	175,000,000	−27,500,000	+45,000,000	
Farmers' Home Administration:							
Farm ownership and housing	35,500,000	19,000,000	19,000,000	19,000,000	−16,500,000		
Production and subsistence	140,000,000	120,000,000	120,000,000	122,500,000	−17,500,000	+2,500,000	+$2,500,000
Water facilities	6,500,000	6,500,000	6,500,000	6,500,000			
Total, Farmers' Home Administration	182,000,000	145,500,000	145,500,000	148,000,000	−34,000,000	+2,500,000	+2,500,000
Total, loan authorizations	384,500,000	275,500,000	320,500,000	323,000,000	−61,500,000	+47,500,000	+2,500,000

CORPORATE ADMINISTRATIVE EXPENSE LIMITATIONS

(TITLE II)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Authorizations, 1954	Estimates, 1955	House bill
Commodity Credit Corporation	[1] $20,000,000	$18,000,000	$18,000,000	$18,000,000	−$2,000,000		

[1] Includes $2,900,000 contained in the Third Supplemental Appropriation Act, 1954.

SPECIAL ACTIVITIES

(TITLE III)

Agency and item	Appropriations, 1954	Estimate, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Appropriations, 1954	Estimates, 1955	House bill
Research on strategic and critical agricultural materials	$439,500	$331,500	$331,500	$331,500	−$108,000		
Disaster loan revolving fund	130,000,000				−130,000,000		
Total, special activities	130,439,500	331,500	331,500	331,500	−130,108,000		

FARM CREDIT ADMINISTRATION

(TITLE IV)

Agency and item	Authorizations, 1954	Estimates, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Authorizations, 1954	Estimates, 1955	House bill
Farm Credit Administration	[2] $2,255,500	$2,375,000	$2,320,000	$2,320,000	+$64,500	−$55,000	
Federal Farm Mortgage Corporation	750,000	650,000	650,000	650,000	−100,000		
Federal intermediate credit banks	1,690,000	1,740,000	1,740,000	1,740,000	+50,000		
Production credit corporations	1,465,000	1,540,000	1,540,000	1,540,000	+75,000		
Total, Farm Credit Administration	6,160,500	6,305,000	6,250,000	6,250,000	+89,500	−55,000	

[2] Includes $120,000 contained in the Third Supplemental Appropriation Act, 1954.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1954, ESTIMATES FOR 1955, AND AMOUNTS RECOMMENDED IN THE BILL FOR 1954

TITLE I—REGULAR ACTIVITIES

Agency and item	Appropriations, 1954	Estimate, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Appropriations, 1954	Estimate, 1955	House bill
Agricultural Research Service:							
Salaries and expenses:							
Research	$32,902,365	$35,353,000	$35,353,000	$35,353,000	+$2,450,635		
Plant and animal disease and pest control	17,920,650	15,000,000	17,461,380	17,819,600	−101,050	+$2,819,600	+$358,220
Meat inspection	14,190,000	14,325,000	14,190,000	14,325,000	+135,000		+135,000
Total salaries and expenses	65,013,015	64,678,000	67,004,380	67,497,600	+2,484,585	+2,819,600	+493,220
Payments to States, etc	13,721,708	19,453,708	19,453,708	17,953,708	+4,232,000	−1,500,000	−1,500,000
Foot-and-mouth and other contagious diseases		2,134,000	1,800,000	2,134,000	+2,134,000		+334,000
Total, Agricultural Research Service	78,734,723	86,265,708	88,258,088	87,585,308	+8,850,585	+1,319,600	−672,780
Extension Service:							
Payments to States, etc	32,248,329	39,675,000	39,675,000	39,675,000	+7,426,671		
Federal Extension Service	3,046,235	3,925,000	3,810,000	3,925,000	+878,765		+115,000
Total, Extension Service	35,294,564	43,600,000	43,485,000	43,600,000	+8,305,436		+115,000
Farmer Cooperative Service	408,000	408,000	408,000	408,000			
Forest Service:							
Salaries and expenses:							
National forest protection and management	30,961,700	28,935,000	30,132,700	30,860,000	−101,700	+1,925,000	+727,300
Fighting forest fires	[3] 10,500,000	6,000,000	6,000,000	6,000,000	−4,500,000		

Control of forest pests	5,286,354	5,015,000	4,800,000	5,015,000	−271,354		+215,000
Forest research	6,112,664	6,528,500	6,528,500	6,918,500	+805,836	+390,000	+390,000
Total, salaries and expenses	52,860,718	46,478,500	47,461,200	48,793,500	−4,067,218	+2,315,000	+1,332,300
Forest roads and trails	14,498,000	16,000,000	16,000,000	16,000,000	+1,502,000		
Acquisition of land:							
Weeks Act	75,000		75,000	125,000	+50,000	+125,000	+50,000
Special acts			(10,000)	(10,000)	(+10,000)	(+10,000)	
State and private forestry cooperation	10,683,690	9,123,000	10,608,690	10,683,690		+1,560,690	+75,000
Cooperative range improvements	(531,000)	(281,000)	(281,000)	(500,000)	(−31,000)	(+219,000)	(+219,000)
Total, Forest Service	78,117,408	71,601,500	74,144,890	75,602,190	−2,515,218	+4,600,690	+1,457,300
Soil Conservation Service:							
Conservation operations	58,819,279	54,898,000	58,965,671	59,085,671	+266,392	+4,187,671	+120,000
Watershed protection	5,000,000	5,000,000	5,000,000	5,000,000			
Flood prevention	6,982,000	5,739,000	6,982,000	7,482,000	+500,000	+1,743,000	+500,000
Water conservation and utilization projects	685,000	480,000	480,000	480,000	−205,000		
Total, Soil Conservation Service	71,486,279	66,117,000	71,427,671	72,047,671	+561,392	+5,930,671	+620,000
Agricultural conservation program	[4] 226,982,000	195,000,000	191,700,000	191,700,000	−35,282,000	−3,300,000	
Agricultural Marketing Service:							
Marketing research and service:							
Marketing research and agricultural estimates	8,702,200	10,215,000	10,215,000	10,215,000	+1,512,800		
Marketing services	11,763,053	11,243,500	11,463,500	11,675,500	−87,553	+432,000	+212,000
Total, marketing research and service	20,465,253	21,458,500	21,678,500	21,890,500	+1,425,247	+432,000	+212,000
Payments to States, etc	573,000	900,000	900,000	900,000	+327,000		
Repayment to Commodity Credit Corporation	768,505	441,655	441,655	441,655	−326,850		
School lunch	83,236,197	68,000,000	83,464,000	83,236,197		+15,236,197	−227,803
Total, Agricultural Marketing Service	105,042,955	90,800,155	106,484,155	106,468,352	+1,425,397	+15,668,197	−15,803

[3] Includes $4,500,000 contained in the Third Supplemental Appropriation Act, 1954. [4] Includes $15,000,000 contained in the Third Supplemental Appropriation Act, 1954.

Comparative statement of appropriations for 1954, estimates for 1955, and amounts recommended in the bill for 1955—Con.

TITLE I—REGULAR ACTIVITIES—Continued

Agency and item	Appropriations, 1954	Estimate, 1955	Recommended in House bill for 1955	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Appropriations, 1954	Estimate, 1955	House bill
Foreign Agricultural Service	$840,900	$965,000	$965,000	$965,000	+$124,100		
Commodity Exchange Authority	692,273	673,000	673,000	673,000	−19,273		
Commodity Stabilization Service:							
Agricultural adjustment programs	44,312,000	42,500,000	40,000,000	41,750,000	−2,562,000	−$750,000	+$1,750,000
Sugar Act	59,608,287	59,600,000	59,600,000	59,600,000	−8,287		
Total, Commodity Stabilization Service	103,920,287	102,100,000	99,600,000	101,350,000	−2,570,287	−750,000	+1,750,000
Federal Crop Insurance, salaries and expenses	7,450,000	5,700,000	5,700,000	6,200,000	−1,250,000	+500,000	+500,000
Rural Electrification Administration, salaries and expenses	7,554,250	7,085,000	7,285,000	7,285,000	−269,250	+200,000	
Farmers' Home Administration: Salaries and expenses	26,737,000	22,250,000	23,750,000	22,550,000	−4,187,000	+300,000	−1,200,000
Office of Solicitor	2,311,000	2,098,000	2,000,000	2,060,000	−251,000	−38,000	+60,000
Office of Secretary	2,188,000	2,119,000	2,050,000	2,110,000	−78,000	−9,000	+60,000
Office of Information	1,251,000	968,000	1,180,400	1,196,000	−55,000	+228,000	+15,600
Library	681,800	659,950	659,950	659,950	−21,850		
Total, title I, regular activities	749,692,439	698,410,313	719,771,154	722,460,471	−27,231,968	+24,050,158	+2,689,317
Title III, special activities	130,439,500	331,500	331,500	331,500	−130,108,000		
Total appropriations	880,131,939	698,741,813	720,102,654	722,791,971	−157,339,968	+24,050,158	+2,689,317

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Calendar No. 1438

83D CONGRESS
2D SESSION

H. R. 8779

[Report No. 1429]

IN THE SENATE OF THE UNITED STATES

APRIL 15 (legislative day, APRIL 14), 1954
Read twice and referred to the Committee on Appropriations

MAY 27 (legislative day, MAY 13), 1954
Reported by Mr. YOUNG, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—REGULAR ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural re-
6 search relating to production and utilization, to control and
7 eradicate insect pests and plant and animal diseases, and to
8 perform related inspection, quarantine and regulatory work,
9 and meat inspection: *Provided,* That not to exceed $15,000
10 of the appropriations hereunder shall be available for em-
11 ployment pursuant to the second sentence of section 706 (a)
12 of the Organic Act of 1944 (5 U. S. C. 574), as amended
13 by section 15 of the Act of August 2, 1946 (5 U. S. C.
14 55a): *Provided further,* That appropriations hereunder
15 shall be available for the operation and maintenance of air-
16 craft and the purchase (for emergency replacement only)
17 of not to exceed one, and the construction, alteration, and
18 repair of buildings and improvements, but unless otherwise
19 provided, the cost of constructing any one building (except
20 headhouses connecting greenhouses) shall not exceed
21 $7,500 and the cost of altering any one building during the
22 fiscal year shall not exceed $3,750 or two per centum of
23 the cost of the building, whichever is greater:

24 Research: For research and demonstrations on the pro-
25 duction and utilization of agricultural products, and related

research and services, including administration of payments to State Agricultural Experiment Stations; $35,353,000, of which not to exceed $20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Georgia, and of which not to exceed $28,000 shall be available for the construction or acquisition of the necessary lands and buildings for a pecan research laboratory at Albany, Georgia, *and of which not to exceed $100,000 shall be available for the construction of a cotton ginning laboratory in the Southeast, including acquisition of necessary land.*

Plant and animal disease and pest control: For operations and measures to control and eradicate insect pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; ~~$17,461,380~~ *$17,819,600*, of which $400,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to meet emergency conditions: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under

the Golden Nematode Act: *Provided further*, That, in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products; ~~$14,190,000~~ *$14,325,000*.

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments to the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following Acts relating to agricultural experiment stations:

Hatch Act, the Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams Act, the Act approved March 16, 1906 (7 U. S. C. 369), $720,000; Purnell Act, the Act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382), $2,880,000; Bankhead-Jones Act, title I of the Act ap-

1 proved June 29, 1935 (7 U. S. C. 427–427g), sections 3
2 and 5, $2,863,708, and sections 9 and 11 of said Act as
3 added by the Act of August 14, 1946 (7 U. S. C. 427h,
4 427j), including administration by the Office of Experiment
5 Stations in the United States Department of Agriculture,
6 ~~$11,500,000~~ *$10,000,000*, no part of which latter amount
7 shall be used for beginning construction of any building
8 costing in excess of $15,000; Hawaii, the Act approved
9 May 16, 1928 (7 U. S. C. 386–386b), extending the
10 benefits of certain Acts of Congress to the Territory of
11 Hawaii, $90,000; Alaska, the Act approved February 23,
12 1929 (7 U. S. C. 386c), extending the benefits of the Hatch
13 Act to the Territory of Alaska, $15,000, and the provisions
14 of section 2 of the Act approved June 20, 1936, as
15 amended (7 U. S. C. 369a), extending the benefits of the
16 Adams and Purnell Acts to the Territory of Alaska,
17 $75,000; Puerto Rico, the Act approved March 4, 1931, as
18 amended (7 U. S. C. 386d–386f), extending the benefits of
19 certain Acts of Congress to Puerto Rico, $90,000; section
20 204 (b) of the Agricultural Marketing Act, the Act approved
21 August 14, 1946 (7 U. S. C. 1623), $500,000; in all
22 payments to States, Hawaii, Alaska, and Puerto Rico,
23 ~~$19,453,708~~ *$17,953,708*.

1 FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF
2 ANIMALS AND POULTRY

3 Eradication activities: For expenses necessary in the arrest
4 and eradication of foot-and-mouth disease, rinderpest, conta-
5 gious pleuropneumonia, or other contagious or infectious dis-
6 eases of animals, or European fowl pest and similar diseases in
7 poultry, including the payment of claims growing out of de-
8 struction of animals (including poultry) affected by or ex-
9 posed to, or of materials contaminated by or exposed to, any
10 such disease, when there has been compliance with all lawful
11 quarantine regulations, and for foot-and-mouth disease and
12 rinderpest programs undertaken pursuant to the provisions of
13 the Act of February 28, 1947, and the Act of May 29, 1884,
14 as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including
15 expenses in accordance with section 2 of said Act of Feb-
16 ruary 28, 1947, the Secretary may transfer from other
17 appropriations or funds available to the bureaus, corpora-
18 tions, or agencies of the Department such sums as he may
19 deem necessary, but not to exceed $2,650,000 for eradica-
20 tion of vesicular exanthema of swine, to be available only
21 in an emergency which threatens the livestock or poultry
22 industry of the country, and any unexpended balances of
23 funds transferred under this head in the next preceding fiscal
24 year shall be merged with such transferred amounts: *Pro-*
25 *vided*, That, except for payments made pursuant to said Act

of February 28, 1947, the payment for animals may be made on appraisement based on the meat, egg-production, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further,* That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

Research: For expenses necessary for research authorized by the Act of April 24, 1948 (21 U. S. C. 113a), ~~$1,800,000~~ *$2,134,000.*

Extension Service

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), $38,662,000; under section 5, Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and payments and contracts for such work under section 204 (b)–205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623–1624), $925,000; in all, $39,675,000: *Provided,* That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 (Public Law 83) shall not be paid

to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

FEDERAL EXTENSION SERVICE

Administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 568–568a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,925,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, ~~$1,885,000~~ *$2,000,000.*

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), $408,000.

FOREST SERVICE

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and

1 report on forestry, national forests, forest fires, forest insects
2 and diseases, and lumbering; to advise the owners of
3 woodlands as to the proper care of the same; to investigate
4 and test American timber and timber trees and their uses,
5 and methods, for the preservative treatment of timber; to
6 seek, through investigations and the planting of native and
7 foreign species, suitable trees for the treeless regions; to erect
8 necessary buildings: *Provided,* That the cost of any building
9 purchased, erected, or as improved, exclusive of the cost of
10 constructing a water-supply or sanitary system and of con-
11 necting the same with any such building, and exclusive of the
12 cost of any tower upon which a lookout house may be erected,
13 shall not exceed $18,500 ($22,500 in Alaska) with the ex-
14 ception that any building erected, purchased, or acquired, the
15 cost of which was $18,500 or more, may be improved out of
16 the appropriations made under this Act for the Forest Service
17 by an amount not to exceed 2 per centum of the cost of such
18 building; to protect, administer, and improve the national
19 forests, including tree planting and other measures to pre-
20 vent erosion, drift, surface wash, soil waste, and the forma-
21 tion of floods, and to conserve water; to ascertain the natural
22 conditions upon and utilize the national forests, to transport
23 and care for fish and game supplied to stock the national
24 forests or the waters therein; for management of lands ac-

1 quired under the land utilization program; and to collate,
2 digest, report, and illustrate the results of experiments and
3 investigations made by the Forest Service: *Provided fur-*
4 *ther,* That the appropriations available to the Forest Serv-
5 ice for the current fiscal year may be used for the operation
6 and maintenance of aircraft, and the purchase of not to ex-
7 ceed four (for replacement only), and not to exceed
8 $250,000 of such appropriations may be used for the
9 maintenance, improvement, and construction of aircraft land-
10 ing fields in, or adjacent to, the national forests, as follows:
11 National forest protection and management: For the ad-
12 ministration, protection, use, maintenance, improvement, and
13 development of the national forests, including the establish-
14 ment and maintenance of forest tree nurseries, including the
15 procurement of tree seed and nursery stock by purchase, pro-
16 duction, or otherwise, seeding and tree planting and the care
17 of plantations and young growth; the maintenance of roads
18 and trails and the construction and maintenance of all other
19 improvements necessary for the proper and economical ad-
20 ministration, protection, development, and use of the national
21 forests, including experimental areas under Forest Service
22 administration, except that where direct purchases will be
23 more economical than construction, improvements may be
24 purchased; the construction (not to exceed $18,500 for any
25 one structure), equipment, and maintenance of sanitary and

1 recreational facilities; timber cultural operations; develop-
2 ment and application of fish and game management plans;
3 propagation and transplanting of plants suitable for planting
4 on semiarid portions of the national forests; estimating and
5 appraising of timber and other resources and development
6 and application of plans for their effective management, sale,
7 and use; expenses of the National Forest Reservation Com-
8 mission as authorized by section 14 of the Act of March 1,
9 1911 (16 U. S. C. 514); examination, classification, sur-
10 veying, and appraisal of land incident to effecting exchanges
11 authorized by law and of lands within the boundaries of the
12 national forests that may be opened to homestead settlement
13 and entry under the Act of June 11, 1906, and the Act of
14 August 10, 1912 (16 U. S. C. 506–509), as provided by
15 the Act of March 4, 1913 (16 U. S. C. 512); investigation
16 and establishment of water rights, including the purchase
17 thereof or of lands or interests in lands or rights-of-way for
18 use and protection of water rights necessary or beneficial in
19 connection with the administration and public use of the
20 national forests; not to exceed $100,000 for the purchase of
21 parcels of land and interests therein in Sanders County, Mon-
22 tana, but such land shall not be acquired without the ap-
23 proval of the local government concerned; and all expenses
24 necessary for the use, maintenance, improvement, protection,
25 and general administration of the national forests, and for

1 the management of lands under title III of the Act of
2 July 22, 1937, and the Act of August 11, 1945 (7 U. S. C.
3 1010–1012); ~~$30,132,700~~ *$30,860,000*: *Provided*, That the
4 Secretary may sell at market value any property located in
5 Yalobusha, Chickasaw, and Pontotoc counties, Mississippi,
6 administered under title III of the Act of July 22, 1937, and
7 suitable for return to private ownership under such terms and
8 conditions as would not conflict with the purposes of said Act.
9 Fighting forest fires: For fighting and preventing forest
10 fires on or threatening lands under Forest Service adminis-
11 tration, including lands under contract for purchase or in
12 process of condemnation for Forest Service purposes, and for
13 liquidation of obligations incurred in the preceding fiscal year
14 for such purpose, $6,000,000, of which $2,500,000 shall be
15 apportioned for use, pursuant to section 3679 of the Revised
16 Statutes, as amended, to the extent necessary to meet emer-
17 gency conditions.
18 Control of forest pests: For the control of white pine
19 blister rust pursuant to the Act of April 26, 1940 (16
20 U. S. C. 594a), including the development and testing of
21 new control methods, ~~$2,650,000~~ *$2,430,000*, of which
22 $360,000 shall be available to the Department of the In-
23 terior for the control of white pine blister rust on or endanger-
24 ing Federal lands under the jurisdiction of that Department or

lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C., Supp. V. 594-1—594-5), ~~$2,150,000~~ *$2,585,000*, of which ~~$1,750,000~~ *$2,185,000* shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; ~~$4,800,000~~ *$5,015,000*.

Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a–581c, 581f–581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; ~~$6,528,500~~ *$6,918,500*: *Provided*, That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.

1 FOREST ROADS AND TRAILS

2 For expenses necessary for carrying out the provisions
3 of section 23 of the Federal Highway Act approved Novem-
4 ber 9, 1921, as amended (23 U. S. C. 23, 23a), relating
5 to forest development roads and trails, including the con-
6 struction, reconstruction, and maintenance of roads and
7 trails on experimental areas under Forest Service admin-
8 istration, $16,000,000, which sum is authorized to be ap-
9 propriated by the Acts of September 7, 1950 (64 Stat.
10 786), and June 25, 1952 (66 Stat. 158), to remain avail-
11 able until expended: *Provided,* That this appropriation
12 shall be available for the rental, purchase, construction,
13 or alteration of buildings necessary for the storage and
14 repair of equipment and supplies used for road and trail
15 construction and maintenance, but the total cost of any
16 such building purchased, altered, or constructed under this
17 authorization shall not exceed $18,500 ($22,500 in Alaska),
18 with the exception that any building erected, purchased, or
19 acquired, the cost of which was $18,500 or more, may be
20 improved within any fiscal year by an amount not to
21 exceed 2 per centum of the cost of such buildings.

1 ACQUISITION OF LANDS FOR NATIONAL FORESTS

2 Weeks Act

3 For the acquisition of forest lands under the provisions of
4 the Act approved March 1, 1911, as amended (16 U. S. C.
5 513–519, 521), ~~$75,000~~ *$125,000*, to be available only for
6 payment of the purchase price of any lands acquired, in-
7 cluding the cost of surveys in connection with such acqui-
8 sition: *Provided*, That no part of this appropriation shall be
9 used for acquisition of any land which is not within the
10 boundaries of a national forest: *Provided further*, That no
11 part of this appropriation shall be used for the acquisition of
12 any land without the approval of the local government
13 concerned.

14 Special Acts

15 For the acquisition of land to facilitate the control of
16 soil erosion and flood damage originating within the exterior
17 boundaries of the following national forest, in accordance
18 with the provisions of the following Act authorizing annual
19 appropriations of forest receipts for such purposes, and in not
20 to exceed the following amount from such receipts:
21 Cache National Forest, Utah, Act of May 11, 1938 (Public

1 Law 505), as amended, $10,000: *Provided,* That no part
2 of this appropriation shall be used for acquisition of any
3 land which is not within the boundaries of a national
4 forest: *Provided further,* That no part of this appropriation
5 shall be used for the acquisition of any land without the
6 approval of the local government concerned.

7 STATE AND PRIVATE FORESTRY COOPERATION

8 For expenses necessary for cooperation with the various
9 States in forest-fire prevention and suppression, in forest
10 tree planting, in forest management and processing, and in
11 farm forestry extension, pursuant to the Act of August 25,
12 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3,
13 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–
14 568a), and Acts supplementary thereto; advising tim-
15 berland owners, associations, and other appropriate agen-
16 cies in the application of forest management principles to
17 federally owned lands leased to States and to private forest
18 lands, and advising wood-using industries in processing of
19 forest products, so as to attain sustained-yield management,
20 the conservation of the timber resources, the productivity of
21 forest lands, and the stabilization of employment and eco-
22 nomic continuance of forest industries; ~~$10,608,690~~ *$10,-*
23 *683,690.*

1 COOPERATIVE RANGE IMPROVEMENTS

2 For artificial revegetation, construction, and mainte-
3 nance of range improvements, control of rodents, and eradi-
4 cation of poisonous and noxious plants on national forests
5 as authorized by section 12 of the Act of April 24, 1950
6 (16 U. S. C. 580h), ~~$281,000~~ *$500,000*, to remain avail-
7 able until expended.

8 SOIL CONSERVATION SERVICE

9 CONSERVATION OPERATIONS

10 For necessary expenses for carrying out the provisions
11 of the Act of April 27, 1935 (16 U. S. C. 590a–590f), in-
12 cluding preparation of conservation plans and establishment of
13 measures to conserve soil and water (including farm irriga-
14 tion and land drainage and such special measures as may
15 be necessary to prevent floods and the siltation of reser-
16 voirs); operation of conservation nurseries; classification
17 and mapping of soils; dissemination of information; pur-
18 chase and erection or alteration of permanent buildings;
19 operation and maintenance of aircraft; and furnishing of
20 subsistence to employees; ~~$58,965,671~~ *$59,085,671*: *Pro-*
21 *vided,* That the cost of any permanent building purchased,
22 erected, or as improved, exclusive of the cost of constructing a

1 water supply or sanitary system and connecting the same to
2 any such building and with the exception of buildings acquired
3 in conjunction with land being purchased for other purposes,
4 shall not exceed $2,500, except for eight buildings to be
5 constructed or improved at a cost not to exceed $15,000
6 per building and except that alterations or improvements to
7 other existing permanent buildings costing $2,500 or more
8 may be made in any fiscal year in an amount not to exceed
9 $500 per building: *Provided further,* That no part of this
10 appropriation shall be available for the construction of any
11 such building on land not owned by the Government: *Pro-*
12 *vided further,* That in the State of Missouri, where the State
13 has established a central State agency authorized to enter
14 into agreements with the United States or any of its agencies
15 on policies and general programs for the saving of its soil by
16 the extension of Federal aid to any soil conservation district
17 in such State, the agreements made by or on behalf of the
18 United States with any such soil conservation district shall
19 have the prior approval of such central State agency before
20 they shall become effective as to such district: *Provided*
21 *further,* That no part of this appropriation may be expended
22 for soil and water conservation operations under the Act of
23 April 27, 1935 (16 U. S. C. 590a–590f), in demonstration
24 projects: *Provided further,* That not to exceed $5,000 may
25 be used for employment pursuant to the second sentence of

1 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
2 574), as amended by section 15 of the Act of August 2,
3 1946 (5 U. S. C. 55a): *Provided further*, That qualified
4 local engineers may be temporarily employed at per diem
5 rates to perform the technical planning work of the service.

6 WATERSHED PROTECTION

7 For expenses necessary to conduct surveys, investiga-
8 tions, and research and to carry out preventive measures,
9 including, but not limited to, engineering operations, meth-
10 ods of cultivation, the growing of vegetation, and changes in
11 use of land, in accordance with the provisions of the Act of
12 April 27, 1935 (16 U. S. C. 590a–590f), to remain available
13 until expended, $5,000,000, with which shall be merged
14 the unexpended balances of funds heretofore appropriated
15 or transferred to the Department for watershed protection
16 purposes.

17 FLOOD PREVENTION

18 For expenses necessary, in accordance with the Flood
19 Control Act, approved June 22, 1936 (Public Law 738),
20 as amended and supplemented, and in accordance with the
21 provisions of laws relating to the activities of the Depart-
22 ment, to make preliminary examinations and surveys, and
23 to perform works of improvement, and to plan the agricul-
24 tural phases of the development of the Arkansas-White-Red
25 River area, the New England-New York area, including not

1 to exceed $100,000 for employment pursuant to the second
2 sentence of section 706 (a) of the Organic Act of 1944 (5
3 U. S. C. 574), as amended by section 15 of the Act of
4 August 2, 1946 (5 U. S. C. 55a), at rates for individuals
5 not to exceed $100 per diem, to remain available until ex-
6 pended, ~~$6,982,000~~ *$7,482,000,* with which shall be merged
7 the unexpended balances of funds heretofore appropriated or
8 transferred to the Department for flood prevention pur-
9 poses: *Provided,* That no part of such funds shall be used
10 for the purchase of lands in the Yazoo and Little Tallahatchie
11 watersheds without specific approval of the county board of
12 supervisors of the county in which such lands are situated,
13 nor shall any part of such funds be used for the purchase of
14 lands in the counties of Adair, Cherokee, and Sequoyah, in
15 the State of Oklahoma, and Neosho, Cottonwood, Verdigris,
16 Caney, and tributaries in Kansas, without the specific ap-
17 proval of the Board of County Commissioners of the county
18 in which such lands are situated: *Provided further,* That
19 of the funds available herein, not in excess of $6,-
20 504,500 (with which shall be merged the unexpended
21 balances of funds heretofore made available for these pur-
22 poses) may be expended in watersheds heretofore authorized
23 by section 13 of the Flood Control Act of December 22,
24 1944, for necessary gully control, floodwater detention, and
25 floodway structures in areas other than those over which

1 the Department of the Army has jurisdiction and
2 responsibility.

3 WATER CONSERVATION AND UTILIZATION PROJECTS

4 For expenses necessary to carry out the functions of
5 the Department under the Acts of May 10, 1939 (53 Stat.
6 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10),
7 as amended and supplemented, June 28, 1949 (Public Law
8 132), and September 6, 1950 (7 U. S. C. 1033–1039), re-
9 lating to water conservation and utilization projects, to
10 remain available until expended, $480,000, which sum shall
11 be merged with the unexpended balances of funds heretofore
12 appropriated to said Department for the purposes of said
13 Acts.

14 AGRICULTURAL CONSERVATION PROGRAM SERVICE

15 For necessary expenses to carry into effect the pro-
16 visions of section 7 to 17, inclusive, of the Soil Conser-
17 vation and Domestic Allotment Act, approved February
18 29, 1936, as amended (16 U. S. C. 590g–590q), ~~in-~~
19 ~~cluding not to exceed $6,000 for the preparation and dis-~~
20 ~~play of exhibits, including such displays at State, interstate,~~
21 ~~and international fairs within the United States;~~ $191-
22 700,000, to remain available until December 31 of the
23 next succeeding fiscal year for compliance with the pro-
24 gram of soil-building practices and soil- and water-conserv-

1 ing practices authorized under this head in the Department
2 of Agriculture Appropriation Act, 1954, carried out during
3 the period July 1, 1953, to December 31, 1954, inclusive:
4 *Provided,* That not to exceed $22,500,000 of the total sum
5 provided under this head shall be available during the cur-
6 rent fiscal year for salaries and other administrative ex-
7 penses for carrying out such program, the cost of aerial
8 photographs, however, not to be charged to such limita-
9 tion; but not more than $4,020,000 shall be transferred
10 to the appropriation account, "Administrative expenses,
11 section 392, Agricultural Adjustment Act of 1938":
12 *Provided further,* That payments to claimants here-
13 under may be made upon the certificate of the claimant,
14 which certificate shall be in such form as the Secretary may
15 prescribe, that he has carried out the conservation practice or
16 practices and has complied with all other requirements as
17 conditions for such payments and that the statements and
18 information contained in the application for payment are
19 correct and true, to the best of his knowledge and belief,
20 under the penalties of title 18, United States Code: *Provided*
21 *further,* That none of the funds herein appropriated or made
22 available for the functions assigned to the Agricultural Ad-
23 justment Agency pursuant to the Executive Order Numbered
24 9069, of February 23, 1942, shall be used to pay the salaries
25 or expenses of any regional information employees or any

1 State information employees, but this shall not preclude the
2 answering of inquiries or supplying of information at the
3 county level to individual farmers: *Provided further,* That
4 such amount shall be available for salaries and other admin-
5 istrative expenses in connection with the formulation and
6 administration of the 1955 program of soil-building practices
7 and soil- and water-conserving practices, under the Act of
8 February 29, 1936, as amended (amounting to $250,000,-
9 000, including administration, ~~but of this amount not more~~
10 ~~than $195,000,000 may be used until a final program has~~
11 ~~been adopted relative to the use of acreage diverted from~~
12 ~~production,~~ *but a program of only $195,000,000 shall be*
13 *announced unless or until the Secretary has announced, as*
14 *a condition of eligibility for price support, limitations on the*
15 *use of land being diverted from crops under acreage allotments*
16 *in 1955,* and formulated on the basis of a distribution
17 of the funds available for payments and grants among
18 the several States in accordance with their conservation
19 needs as determined by the Secretary, except that the
20 proportion allocated to any State shall not be reduced more
21 than 15 per centum from the distribution for the next preced-
22 ing program year, and no participant shall receive more than
23 $1,500*: Provided, That the funds available for payments*
24 *and grants from said sum of $195,000,000 shall be dis-*
25 *tributed among the several States in the same proportion as*

1 *the original allocation of funds for payments and grants*
2 *for the 1954 agricultural conservation program*) ; but the
3 payments or grants under such programs shall be condi-
4 tioned upon the utilization of land with respect to which
5 such payments or grants are to be made in con-
6 formity with farming practices which will encourage and
7 provide for soil-building and soil- and water-conserving prac-
8 tices in the most practical and effective manner and adapted
9 to conditions in the several States, as determined and ap-
10 proved by the State committees appointed pursuant to section
11 8 (b) of the Soil Conservation and Domestic Allotment Act,
12 as amended (16 U. S. C. 590h (b)), for the respective
13 States: *Provided further,* That not to exceed 5 per centum of
14 the allocation for the 1955 agricultural conservation program
15 for any county may, on the recommendation of such county
16 committee and approval of the State committee, be withheld
17 and allotted to the Soil Conservation Service for services of
18 its technicians in formulating and carrying out the agricultural
19 conservation program in the participating counties, and the
20 funds so allotted may be placed in a single account for each
21 State, and shall not be utilized by the Soil Conservation
22 Service for any purpose other than technical and other
23 assistance in such counties: *Provided further,* That for the
24 1955 program $2,500,000 shall be available for technical
25 assistance in formulating and carrying out agricultural con-

1 servation practices and $1,000,000 shall be available for
2 conservation practices related directly to flood prevention
3 work in approved watersheds: *Provided further,* That in
4 carrying out the 1955 program the Secretary shall give
5 particular consideration to the conservation problems on farm
6 lands diverted from crops under acreage-allotment programs:
7 *Provided further,* That such amounts shall be available for the
8 purchase of seeds, fertilizers, lime, trees, or any other farming
9 material, or any soil-terracing services, and making grants
10 thereof to agricultural producers to aid them in carrying out
11 farming practices approved by the Secretary under programs
12 provided for herein: *Provided further,* That no part of any
13 funds available to the Department, or any bureau, office, cor-
14 poration, or other agency constituting a part of such Depart-
15 ment, shall be used in the current fiscal year for the payment
16 of salary or travel expenses of any person who has been con-
17 victed of violating the Act entitled "An Act to prevent perni-
18 cious political activities", approved August 2, 1939, as
19 amended, or who has been found in accordance with the
20 provisions of title 18, United States Code, section 1913, to
21 have violated or attempted to violate such section which
22 prohibits the use of Federal appropriations for the payment
23 of personal services or other expenses designed to influence
24 in any manner a Member of Congress to favor or oppose any
25 legislation or appropriation by Congress except upon request
26 of any Member or through the proper official channels.

1 AGRICULTURAL MARKETING SERVICE

2 MARKETING RESEARCH AND SERVICE

3 For expenses necessary to carry on research and service
4 to improve and develop marketing and distribution relating to
5 agriculture as authorized by the Agricultural Marketing Act
6 of 1946 (7 U. S. C. 1621–1627) and other laws, including
7 the administration of marketing regulatory acts connected
8 therewith:

9 Marketing research and agricultural estimates: For re-
10 search and development relating to agricultural marketing
11 and distribution, for analyses relating to farm prices, income
12 and population, and demand for farm products, and for crop
13 and livestock estimates; $10,215,000: *Provided,* That no
14 part of the funds herein appropriated shall be available for
15 any expense incident to ascertaining, collating, or publishing
16 a report stating the intention of farmers as to the acreage to
17 be planted in cotton, or for estimates of apple production
18 for other than the commercial crop.

19 Marketing services: For services relating to agricultural
20 marketing and distribution, for carrying out regulatory acts
21 connected therewith, and for administration and coordination
22 of payments to States; ~~$11,463,500~~ *$11,675,500,* including
23 not to exceed $25,000 for employment at rates not to exceed
24 $100 per diem, pursuant to the second sentence of section 706
25 (a) of the Organic Act of 1944 (5 U. S. C. 574), as

amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946.

PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), $900,000.

REPAYMENT TO COMMODITY CREDIT CORPORATION

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing services", fiscal year 1953 (including interest thereon through June 30, 1954), pursuant to authority contained under the head "Marketing services" in the Department of Agriculture Appropriation Act, 1952 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), $441,655.

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751–1760), ~~$83,464,000~~ *$83,236,197*: *Provided,* That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act.

1 FOREIGN AGRICULTURAL SERVICE

2 For necessary expenses for the Foreign Agricultural
3 Service and for enabling the Secretary to coordinate and
4 integrate activities of the Department in connection with
5 foreign agricultural work, $965,000.

6 COMMODITY EXCHANGE AUTHORITY

7 For necessary expenses to carry into effect the provisions
8 of the Commodity Exchange Act, as amended (7 U. S. C.
9 1–17a), $673,000.

10 COMMODITY STABILIZATION SERVICE

11 AGRICULTURAL ADJUSTMENT PROGRAMS

12 For necessary expenses to formulate and carry out acre-
13 age allotment and marketing quota programs pursuant to
14 provisions of title III of the Agricultural Adjustment Act of
15 1938, as amended (7 U. S. C. 1301–1393), ~~$40,000,000~~
16 *$41,750,000*, of which not more than $5,500,000 shall be
17 transferred to the appropriation account "Administrative ex-
18 penses, section 392, Agricultural Adjustment Act of 1938":
19 *Provided*, That $3,500,000 of this appropriation shall be
20 placed in reserve to be apportioned for use pursuant to sec-
21 tion 3679 of the Revised Statutes, as amended, to the extent
22 necessary for carrying out marketing quotas for the 1955
23 crop of wheat.

1 SUGAR ACT PROGRAM

2 For necessary expenses to carry into effect the provisions
3 of the Sugar Act of 1948 (7 U. S. C. 1101–1160),
4 $59,600,000, to remain available until June 30 of the next
5 succeeding fiscal year: *Provided,* That expenditures (includ-
6 ing transfers) from this appropriation for other than pay-
7 ments to sugar producers shall not exceed ~~$1,392,000~~
8 *$1,440,000,* of which $77,000 shall be placed in reserve
9 to be apportioned pursuant to section 3679 of the Revised
10 Statutes, as amended, for use as may become necessary for
11 applying restrictive proportionate shares on the 1955 beet
12 crop.

13 FEDERAL CROP INSURANCE CORPORATION

14 For operating and administrative expenses, ~~$5,700,000~~
15 *$6,200,000.*

16 RURAL ELECTRIFICATION ADMINISTRATION

17 To carry into effect the provisions of the Rural Electrifi-
18 cation Act of 1936, as amended (7 U. S. C. 901–924), as
19 follows:

20 LOAN AUTHORIZATIONS

21 For loans in accordance with said Act, and for carrying
22 out the provisions of section 7 thereof, to be borrowed from
23 the Secretary of the Treasury in accordance with the pro-

1 visions of section 3 (a) of said Act as follows: Rural elec-
2 trification program, $100,000,000; and rural telephone
3 program, $75,000,000; and additional amounts, not to
4 exceed $35,000,000 for the rural electrification program,
5 may be borrowed under the same terms and conditions to
6 the extent that such additional amounts are required during
7 the fiscal year 1955, under the then existing conditions,
8 for the expeditious and orderly development of the program.

9 SALARIES AND EXPENSES

10 For administrative expenses, including not to exceed
11 $500 for financial and credit reports, and not to exceed
12 $75,000 for employment pursuant to the second sentence
13 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.
14 574), as amended by section 15 of the Act of August 2,
15 1946 (5 U. S. C. 55a), $7,285,000.

16 FARMERS' HOME ADMINISTRATION

17 To carry into effect the provisions of titles I, II, and
18 the related provisions of title IV of the Bankhead-Jones
19 Farm Tenant Act, as amended (7 U. S. C. 1000–1031);
20 the Farmers' Home Administration Act of 1946 (7 U. S. C.
21 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.
22 Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946
23 (40 U. S. C. 436–439); the Act of August 28, 1937, as
24 amended (16 U. S. C. 590r–590x, 590z–5), for the develop-
25 ment of facilities for water storage and utilization in the arid

1 and semiarid areas of the United States; the provisions of
2 title V of the Housing Act of 1949 (42 U. S. C. 1471–
3 1483), as amended by the Housing Act of 1952 (Public
4 Law 531, approved July 14, 1952), relating to financial
5 assistance for farm housing; the Rural Rehabilitation Cor-
6 poration Trust Liquidation Act, approved May 3, 1950 (40
7 U. S. C. 440–444); the items "Loans to farmers, 1948 flood
8 damage" in the Act of June 25, 1948 (62 Stat. 1038), and
9 "Loans to farmers, property damage" in the Act of May 24,
10 1949 (63 Stat. 82); the collecting and servicing of credit
11 sales and development accounts in water conservation and
12 utilization projects (53 Stat. 685, 719), as amended and
13 supplemented (16 U. S. C. 590y, z1 and z10); and the Act
14 to direct the Secretary of Agriculture to convey certain
15 mineral interests, approved September 6, 1950 (7 U. S. C.
16 1033–1039), as follows:

17 LOAN AUTHORIZATIONS

18 For loans (including payments in lieu of taxes and taxes
19 under section 50 of the Bankhead-Jones Farm Tenant Act,
20 as amended, and advances incident to the acquisition and
21 preservation of security of obligations under the foregoing
22 several authorities): Title I and section 43 of title IV of
23 the Bankhead-Jones Farm Tenant Act, as amended,
24 $19,000,000, of which not to exceed $5,000,000 may be dis-
25 tributed to States and Territories without regard to farm

population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, ~~$120,000,000~~ *$122,500,000*; the Act of August 28, 1937, as amended, $6,500,000: *Provided,* That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

SALARIES AND EXPENSES

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration, and other administrative expenses, ~~$23,750,000~~ *$22,550,000,* together with a transfer of not to exceed $400,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended.

OFFICE OF THE SOLICITOR

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, ~~$2,000,000~~ *$2,060,000,* together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such

1 expenses, which several amounts not exceeding a total of
2 $300,000 shall be transferred to and made a part of this
3 appropriation.

4 OFFICE OF THE SECRETARY

5 For expenses of the Office of the Secretary of Agriculture,
6 including the purchase of one passenger motor vehicle for
7 replacement only; expenses of the National Agricultural
8 Advisory Commission; stationery, supplies, materials, and
9 equipment; freight, express, and drayage charges; adver-
10 tising of bids, communication service, postage, washing
11 towels, repairs and alterations, and other miscellaneous
12 supplies and expenses not otherwise provided for and nec-
13 essary for the practical and efficient work of the Department
14 of Agriculture; ~~$2,050,000~~ *$2,110,000*, together with such
15 amounts from other appropriations or authorizations as are
16 provided in the schedules in the budget for the current fiscal
17 year for such services and expenses, which several amounts or
18 portions thereof, as may be determined by the Secretary, not
19 exceeding a total of $84,280, shall be transferred to and
20 made a part of this appropriation.

21 OFFICE OF INFORMATION

22 For necessary expenses of the Office of Information for
23 the dissemination of agricultural information and the co-
24 ordination of informational work and programs authorized by
25 Congress in the Department, ~~$1,180,400~~ *$1,196,000*, to-

1 gether with such amounts from other appropriations or au-
2 thorizations as are provided in the schedules in the budget
3 for the current fiscal year for such expenses, which several
4 amounts not exceeding a total of $16,014 shall be trans-
5 ferred to and made a part of this appropriation, of which total
6 appropriation not to exceed ~~$324,000~~ *$537,000* may be
7 used for farmers' bulletins, which shall be adapted to the
8 interests of the people of the different sections of the country,
9 an equal proportion of four-fifths of which shall be delivered
10 to or sent out under the addressed franks furnished by the
11 Senators, Representatives, and Delegates in Congress, as
12 they shall direct (7 U. S. C. 417) and not less than two
13 hundred thirty thousand eight hundred and fifty copies for
14 the use of the Senate and House of Representatives of part 2
15 of the annual report of the Secretary (known as the Year-
16 book of Agriculture) as authorized by section 73 of the Act
17 of January 12, 1895 (44 U. S. C. 241) : *Provided,* That in
18 the preparation of motion pictures or exhibits by the Depart-
19 ment, not exceeding a total of $10,000 may be used for
20 employment pursuant to the second sentence of section 706
21 (a) of the Organic Act of 1944 (5 U. S. C. 574), as
22 amended by section 15 of the Act of August 2, 1946 (5 U.
23 S. C. 55a) : *Provided further,* That no part of this appro-
24 priation shall be used for the establishment or maintenance

1 of regional or State field offices, or for the compensation of
2 employees in such offices.

3 LIBRARY

4 For necessary expenses, including dues for library mem-
5 bership in societies or associations which issue publications to
6 members only or at a price to members lower than to sub-
7 scribers who are not members, $659,950.

8 TITLE II—CORPORATIONS

9 The following corporations and agencies are hereby au-
10 thorized to make such expenditures, within the limits of funds
11 and borrowing authority available to each such corpora-
12 tion or agency and in accord with law, and to make such con-
13 tracts and commitments without regard to fiscal year limi-
14 tations as provided by section 104 of the Government Corpo-
15 ration Control Act, as amended, as may be necessary in
16 carrying out the programs set forth in the budget for the
17 fiscal year 1955 for such corporation or agency, except as
18 hereinafter provided:

19 Federal Crop Insurance Corporation: *Provided,* That
20 the direct costs of loss adjusters for crop inspections and loss
21 adjustments may be considered as nonadministrative or
22 nonoperating expenses.

23 Commodity Credit Corporation: Nothing in this Act
24 shall be so construed as to prevent the Commodity Credit

1 Corporation from carrying out any activity or any program
2 authorized by law: *Provided,* That not to exceed $18,000,-
3 000 shall be available for administrative expenses of the
4 Corporation: *Provided further,* That all necessary expenses
5 (including legal and special services performed on a contract
6 or fee basis, but not including other personal services) in
7 connection with the acquisition, operation, maintenance,
8 improvement, or disposition of any real or personal property
9 belonging to the Corporation or in which it has an interest,
10 including expenses of collections of pledged collateral, shall
11 be considered as nonadministrative expenses for the purposes
12 hereof.

13 TITLE III—SPECIAL ACTIVITIES

14 RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL
15 MATERIALS

16 For expenses necessary to carry out section 7 (b) of the
17 Strategic and Critical Materials Stock Piling Act of July 23,
18 1946 (50 U. S. C. 98f), $331,500: *Provided,* That
19 this appropriation shall be subject to applicable provisions
20 contained in the item "Salaries and expenses, Agricultural
21 Research Service".

22 TITLE IV—FARM CREDIT ADMINISTRATION

23 Administrative expenses: For necessary expenses, in-
24 cluding services as authorized by section 15 of the Act of
25 August 2, 1946 (5 U. S. C. 55a), the assessments heretofore

1 and hereafter collected from the Federal land banks and
2 other farm credit agencies, to remain available until ex-
3 pended: *Provided,* That not to exceed $2,320,000 shall be
4 obligated during the current fiscal year for such expenses.
5 Federal Farm Mortgage Corporation: Not to exceed
6 $650,000 (to be computed on an accrual basis) of the funds
7 of the Corporation shall be available for administrative ex-
8 penses, including employment on a contract or fee basis of
9 persons, firms, and corporations for the performance of
10 special services, including legal services, and the use of the
11 services and facilities of Federal land banks, National farm
12 loan associations, Federal Reserve banks, and agencies of
13 the Government as authorized by the Act of January 31,
14 1934 (12 U. S. C. 1020–1020h) ; and said total sum shall
15 be exclusive of services and facilities furnished and examina-
16 tions made by the Farm Credit Administration central office,
17 interest expense, and expenses in connection with the acqui-
18 sition, operation, maintenance, improvement, protection, or
19 disposition of real or personal property belonging to the
20 Corporation or in which it has an interest: *Provided,* That
21 promptly after June 30 of each fiscal year all cash funds in
22 excess of the estimated operating requirements for the cur-
23 rent fiscal year shall be declared as dividends and paid into
24 the general fund of the Treasury: *Provided further,* That
25 the aggregate amount of bonds the Corporation may issue

1 and have outstanding at any one time shall not exceed
2 $500,000,000.

3 Federal intermediate credit banks: Not to exceed
4 $1,740,000 (to be computed on an accrual basis) of the
5 funds of the banks shall be available for administrative ex-
6 penses, including the purchase of not to exceed two passenger
7 motor vehicles for replacement only, and services performed
8 for the banks by other Government agencies (except services
9 and facilities furnished and examinations made by the Farm
10 Credit Administration central office, and services performed
11 by any Federal Reserve bank and by the United States
12 Treasury in connection with the financial transactions of the
13 banks); and said total sum shall be exclusive of interest
14 expense, legal and special services performed on a contract
15 or fee basis, and expenses in connection with the acquisition,
16 operation, maintenance, improvement, protection, or dis-
17 position of real or personal property belonging to the banks
18 or in which they have an interest.

19 Production credit corporations; Not to exceed $1,540,-
20 000 (to be computed on an accrual basis) of the funds
21 of the corporation shall be available for administra-
22 tive expenses, including the purchase of not to exceed
23 five passenger motor vehicles for replacement only, and
24 services performed for the corporations by other Government
25 agencies (except services and facilities furnished and exam-

1 inations made by the Farm Credit Administration central
2 office); and said total sum shall be exclusive of interest
3 expense, legal and special services performed on a contract
4 or fee basis, and expenses in connection with the acquisition,
5 operation, maintenance, improvement, protection, or dis-
6 position of real or personal property belonging to the
7 corporations or in which they have an interest.

8 TITLE V—GENERAL PROVISIONS

9 SEC. 501. Within the unit limit of cost fixed by law, the
10 lump-sum appropriations and authorizations made for the
11 Department under this Act shall be available for the pur-
12 chase, in addition to those specifically provided for, of not to
13 exceed ~~500~~ *621* passenger motor vehicles for replacement
14 only, and for the hire of such vehicles, necessary in the con-
15 duct of the work of the Department outside the District of
16 Columbia.

17 SEC. 502. Provisions of law prohibiting or restricting
18 the employment of aliens shall not apply to (1) the tem-
19 porary employment of translators when competent citizen
20 translators are not available; (2) employment in cases of
21 emergency of persons in the field service of the Department
22 for periods of not more than sixty days; and (3) employ-
23 ment under the appropriation for the Foreign Agricultural
24 Service.

25 SEC. 503. Of appropriations herein made which are

1 available for the purchase of lands, not to exceed $1 may be
2 expended for each option to purchase any particular tract or
3 tracts of land.

4 SEC. 504. No part of the funds appropriated by this Act
5 shall be used for the payment of any officer or employee of
6 the Department who, as such officer or employee, or on be-
7 half of the Department or any division, commission, or bu-
8 reau thereof, issues, or causes to be issued, any prediction,
9 oral or written, or forecast, except as to damage threatened
10 or caused by insects and pests, with respect to future prices
11 of cotton or the trend of same.

12 SEC. 505. Except to provide materials required in or
13 incident to research or experimental work where no suitable
14 domestic product is available, no part of the funds appro-
15 priated by this Act shall be expended in the purchase of twine
16 manufactured from commodities or materials produced outside
17 of the United States.

18 SEC. 506. Not less than $1,500,000 of the appropriations
19 of the Department for research and service work authorized
20 by the Act of August 14, 1946 (7 U. S. C. 427, 1621–
21 1629) shall be available for contracting in accordance with
22 said Act.

23 SEC. 507. No part of any appropriation contained in
24 this Act, or of the funds available for expenditure by any
25 corporation included in this Act, shall be used to pay the

1 salary or wages of any person who engages in a strike against
2 the Government of the United States or who is a member
3 of an organization of Government employees that asserts the
4 right to strike against the Government of the United States,
5 or who advocates, or is a member of an organization that
6 advocates, the overthrow of the Government of the United
7 States by force or violence: *Provided,* That for the purposes
8 hereof an affidavit shall be considered prima facie evidence
9 that the person making the affidavit has not contrary to the
10 provisions of this section engaged in a strike against the
11 Government of the United States, is not a member of an
12 organization of Government employees that asserts the right
13 to strike against the Government of the United States, or
14 that such person does not advocate, and is not a member of
15 an organization that advocates, the overthrow of the Govern-
16 ment of the United States by force or violence: *Provided*
17 *further,* That any person who engages in a strike against
18 the Government of the United States or who is a member of
19 an organization of Government employees that asserts the
20 right to strike against the Government of the United States,
21 or who advocates, or who is a member of an organization
22 that advocates, the overthrow of the Government of the
23 United States by force or violence and accepts employment
24 the salary or wages for which are paid from any appropria-
25 tion or fund contained in this Act shall be guilty of a felony

1 and, upon conviction, shall be fined not more than $1,000
2 or imprisoned for not more than one year, or both: *Provided*
3 *further,* That the above penalty clause shall be in addition
4 to, and not in substitution for, any other provisions of exist-
5 ing law: *Provided further,* That nothing in this section shall
6 be construed to require an affidavit from any person em-
7 ployed for less than sixty days for sudden emergency work
8 involving the loss of human life or destruction of property,
9 the payment of salary or wages may be made to such persons
10 from applicable appropriations for services rendered in such
11 emergency without execution of the affidavit contemplated
12 by this section.

13 SEC. 508. No part of any appropriation contained in
14 this Act or of the funds available for expenditure by any
15 corporation or agency included in this Act shall be used for
16 publicity or propaganda purposes to support or defeat legis-
17 lation pending before the Congress.

18 SEC. 509. Appropriations of the Department available
19 for research and service work authorized by the Act of
20 August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629)
21 shall be available for expenses of any advisory committee
22 established as provided in title III of said Act to assist in
23 effectuating the research and service work of the Department.

1 This Act may be cited as the "Department of Agriculture
2 *and Farm Credit Administration* Appropriation Act, 1955".

Amend the title so as to read: "An Act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes."

Passed the House of Representatives April 14, 1954.

Attest: LYLE O. SNADER,
Clerk.

Calendar No. 1438

83D CONGRESS
2D SESSION

H. R. 8779

[Report No. 1429]

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

APRIL 15 (legislative day, APRIL 14), 1954
Read twice and referred to the Committee on Appropriations

MAY 27 (legislative day, MAY 13), 1954
Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 1, 1954
For actions of May 28, 1954
83rd-2nd, No. 99

CONTENTS

HIGHLIGHTS: Senate made agricultural appropriation bill its unfinished business. Senate committee reported housing bill including farm-loans provision. House committees reported bills to expand Water Facilities Act, increase excess-tobacco penalty, authorize GSA vehicle pools and furniture control, and extend coverage of social security. Sen. Young introduced surplus-disposal bill. Sen. Humphrey spoke in support of food stamp plan.

SENATE

1. AGRICULTURAL APPROPRIATION BILL FOR 1955, H. R. 8779, was made the unfinished business (p. 6924).

2. HOUSING LOANS. The Banking and Currency Committee reported with amendment H. R. 7839, the omnibus housing bill, which includes a provision continuing the rural housing program administered by USDA (S. Rept. 1472)(pp. 6875-91).

3. RECLAMATION. Passed as reported H. R. 5731, to authorize certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif. (pp. 6895-924).

4. STATISTICS. The Post Office and Civil Service Committee reported without amendment H. R. 8487, to provide for censuses of manufactures, mineral industries, and other businesses for 1954 (S. Rept. 1475)(p. 6870).

5. FOREIGN TRADE. Sen. Malone criticized administration of the trade agreements program and urged additional tariff protection (pp. 6926-32).

6. SURPLUS COMMODITIES; PRICE SUPPORTS. Sen. Humphrey spoke in support of the food stamp plan and inserted various communications on this subject and favoring high price supports (pp. 6933-8).

7. RECESSED until Tues., June 1 (p. 6940). Legislative program for this week: Tues., USDA appropriations and calendar; Wed., railroad bankruptcy; Thurs., housing bill (p. D603).

HOUSE

8. WATER-FACILITIES LOANS. The Agriculture Committee reported with amendment H. R. 8386, to expand the scope of the Water Facilities Act to the entire country and to increase the loan limitations (H. Rept. 1689)(p. 6953).

9. TOBACCO PENALTY. The Agriculture Committee reported without amendment S. 3050, to increase the penalty for excess marketing of tobacco under the Agricultural Adjustment Act of 1938 (H. Rept. 1687)(p. 6953).

10. VEHICLE POOLS; FURNITURE. The Government Operations Committee reported with amendment H. R. 8753, to authorize GSA to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct GSA to report the unauthorized use of Government motor vehicles, and to authorize the Civil Service Commission to regulate operators of Government motor vehicles (H. Rept. 1690)(p. 6953).

11. SOCIAL SECURITY. The Ways and Means Committee reported without amendment H. R. 9366, to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits (H. Rept. 1698)(p. 6953).

12. FORESTRY. The Agriculture Committee reported with amendment S. 1399, to authorize sale of certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association (H. Rept. 1686)(p. 6953).

13. LAND TRANSFERS. The Agriculture Committee reported without amendment H. J. Res. 458, to direct the Secretary of Agriculture to quitclaim retained rights in a tract of land to the Board of Education of Irwin County, Ga. (H. Rept. 1692) (p. 6953).

The Agriculture Committee reported without amendment S. 1400, to permit the Secretary of Agriculture to release the reversionary rights of the U. S. to a land tract in Wake County, N. C. (H. Rept. 1696)(p. 6953).

The Agriculture Committee reported with amendment H. R. 6263, to authorize the Secretary of Agriculture to convey certain lands in Alaska to the Rotary Club of Ketchikan, Alaska (H. Rept. 1697)(p. 6953).

14. WATER CONSERVATION. Received from the Interior Department a proposed bill to authorize that Department to investigate and report to Congress on the conservation, development, and utilization of water resources in Alaska; to Interior and Insular Affairs Committee (p. 6952).

15. ADJOURNED until Tues., June 1 (p. 6952). Legislative program for June 1 is the social-security bill (p. D602).

BILLS INTRODUCED

16. SURPLUS COMMODITIES. S. 3529, by Sen. Young, to encourage the disposal of agricultural surpluses and to improve the foreign relations of the U. S.; to Agriculture and Forestry Committee (p. 6871).

17. RECLAMATION. S. 3530, by Sen. Butler, Nebr., for himself and Sen. Bowring, to authorize the Red Willow Dam and Reservoir as a unit of the Missouri Basin project; to Interior and Insular Affairs Committee (p. 6871).

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 2, 1954
For actions of June 1, 1954
83rd-2nd, No.100

CONTENTS

HIGHLIGHTS: Senate debated agricultural appropriation bill. House passed bill extending social security program to others, including farmers, etc. House received part 2 of GAO audit of CCC. Rep. Sheehan introduced and discussed bill to insure more sugar under Sugar Act.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. Began debate on this bill, H. R. 8779 (pp. 6976-9, 6982-99). Agreed to Sen. Young's request "that the amendments of the committee be agreed to en bloc, and that the bill, thus amended, be considered as original text for the purpose of further amendment". (p. 6978).

Agreed, 51-20, to a Schoeppel-Cooper amendment to increase payments to States for experiment stations by $1,500,000 (thus restoring the House figure and the budget estimate)(pp. 6979, 6982-7).

Agreed to a Williams amendment to prohibit loans for new or expanded broiler production and to limit to $3,000 loans for continuation of broiler production or repair of broiler facilities, by any Government agency (pp. 6987-90).

Debated a Douglas amendment to increase REA loan authorizations by $35,000,000. The yeas and nays were ordered on this amendment, but a vote was postponed until today. (pp. 6990-9.)

2. PERSONNEL. Passed without amendment H. R. 7554, to require payment of compensation to per diem, per hour, and piecework employees when Government establishments are closed by administrative order, thus according them the same equitable treatment as is given to classified or salaried workers in such circumstances (p. 6973). This bill will now be sent to the President.

HOUSE

3. SOCIAL SECURITY. Passed, 355 to 8, without amendment H. R. 9366, to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under

the old-age and survivors insurance program to other groups (including farmers and additional farm workers), increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits (pp. 7006-56).

4. CCC AUDIT. Received part 2 of the GAO audit report of CCC for the fiscal year 1952 (H. Doc. 409)(p. 7059).

5. FLOOD-CONTROL APPROPRIATIONS. House conferees were appointed on H. R. 8367, the Army civil functions appropriation bill for 1955 (p. 7006). Senate conferees have been appointed.

6. SUGAR. Received a La. Legislature memorial favoring an increase in the domestic sugarcane quota (p. 7060).

7. RECLAMATION. The Interior and Insular Affairs Committee ordered reported (but did not actually report) H. R. 8520, to authorize the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill development as units of the Missouri Basin project (p. D609).

BILLS INTRODUCED

8. SURPLUS COMMODITIES. H. R. 9389, by Rep. Hill, to increase the consumption of U. S. agricultural commodities in foreign countries; to Agriculture Committee (p. 7059).

9. FLAMMABLE FABRICS. H. R. 9392, by Rep. Patterson, to exempt from the Flammable Fabrics Act fabrics and apparel which are not highly flammable; to Interstate and Foreign Commerce Committee (p. 7060).

10. SUGAR. H. R. 9394, by Rep. Sheehan, to amend the Sugar Act of 1948 so as to prohibit the Secretary of Agriculture from setting an annual estimate below average usage during the 2 preceding years; to Agriculture Committee (p. 7060). Remarks of author (pp. A4072-3).

11. CIVIL DEFENSE. H. J. Res. 540, by Rep. Rodino, to constitute the Federal Civil Defense Administration an executive department; to Government Operations Committee (p. 7060).

ITEMS IN APPENDIX

12. SUGAR. Rep. Brooks inserted a La. Legislature resolution favoring increased domestic sugarcane quotas (p. A4023).

13. RECLAMATION. Rep. Stringfellow inserted articles by George D. Clyde favoring the proposed Echo Dam project (pp. A4025-7). He also inserted Mr. Clyde's summary favoring other Colo. River projects (p. A4030).

14. PRICE SUPPORTS. Extension of remarks of Sen. Johnson, Tex., stating that although "much is heard about the cost of the farm price-support program... not nearly so much is heard about Government subsidies to other occupational groups" (pp. A4035-6).

15. FOREIGN AID. Extension of remarks of Rep. Vorys favoring foreign aid through loans rather than grants (pp. A4060-1).

16. FARM PRICES. Rep. Canfield inserted a New York Times editorial claiming that

provides that an attorney's lien will not be affected by a settlement. The amendment provides that where there is a settlement, the attorney's lien will attach to the proceeds thereof.

The bill contains a provision to the effect that the lien will attach to the proceeds of a determination, decision, judgment, or order "in whatever hands they may come." The amendment modifies this provision so as to make the lien ineffective against a bona fide purchaser or holder for value.

The amendment includes without change the language of the bill relating to determination and enforcement of an attorney's lien.

Section 2 of the bill in included in subsection (b) of the amendment without change, except that the words "money or other" are inserted before the word "property."

Subsection (b) of the amendment adds a requirement that notice be given of an attorney's lien where such lien would attach to money or other property in the hands of a Government agency. The next to the last sentence in subsection (b) subordinates an attorney's lien to a valid counterclaim or offset of the Government, but only if the Government has asserted its counterclaim or offset within 60 days after the date of the final determination, decision, judgment, or order. These changes are explicitly intended to meet any agency objections with respect to administrative difficulty under the language proposed to be amended.

As pointed out above, the bill provides in effect that an attorney's lien will attach to a determination, decision, or order in any action or other proceeding before any department or agency of the Government. Although this language is broad enough to cover every type of action taken by a Government agency, it is questionable whether it was intended to give an attorney a lien upon a license granted to his client by the Federal Communications Commission. Likewise, it is questionable whether the original bill was intended to apply to actions pursuant to claims for pensions, retirement benefits and the like. Accordingly a specific exclusion has been written into the amendment in the last sentence in subsection (b) with respect to proceedings pursuant to claims for benefits under a social insurance, retirement, pension, annuity, or unemployment insurance system administered by any department or agency of the United States, and with respect to proceedings pursuant to applications for a license. The definition of license in the Administrative Procedure Act, referred to in such provision is as follows:

"License" includes the whole or part of any, agency, permit, certificate, approval registration, charter, membership, statutory exemption or other form of permission.

Section 3 of the bill provides that an attorney's lien will attach to a determination, decision, judgment, or order arising as a result of any action or other proceeding presently pending or hereafter commenced. The amendment provides that such a lien will attach only in the case of a final determination, decision, judgment, or order hereafter rendered, or a settlement hereafter entered into in a pending proceeding or in one hereafter commenced.

In addition to the above changes, Mr. President, the amendment makes certain technical changes designed to include all of the bill except the matter contained in section 4 within the new section 1964 of title 28, and to place that matter in a section 2 which will remain outside section 1964.

I should like to say, Mr. President, that the entire subject of the bill and the need for it have been carefully studied by the former chairman of the Committee on the Judiciary, the distinguished Senator from Nevada [Mr. McCARRAN], who was very much interested in the original bill. We, of the calendar committee, opposed the original bill and offered an amendment to it, in which the distinguished Senator from Nevada has joined as a cosponsor.

Mr. LANGER. Mr. President, when the bill first came before the committee, it was rejected almost unanimously. Thereafter, another bill was drafted, which was reported to the Senate. The amendment is something brand new. It has never been considered by the Committee on the Judiciary. Most certainly I wish to study it, at least until the time of the next call of the calendar, so I respectfully object and ask that the bill go over.

Mr. HENDRICKSON. I may say to the Senator from North Dakota that the amendment in the nature of a substitute has been studied very carefully by several members of the Committee on the Judiciary.

Mr. LANGER. It never was submitted to the full committee.

The PRESIDING OFFICER. The Senator from North Dakota objects, and the bill will be passed over.

RELIEF OF THE FEDERAL REPUBLIC OF GERMANY

The Senate proceeded to consider the bill (S. 1573) for the relief of the Federal Republic of Germany.

Mr. COOPER. Mr. President, I ask for an explanation of the bill.

Mr. LANGER. Mr. President, at the outbreak of World War II the premises and furnishings of the enemy governments in the United States were taken over by the State Department. In a majority of cases the premises were used by neutral governments to conduct the affairs of the belligerents in accordance with international law. The German Government property was in somewhat of a bad state of repair and was never actually used by the State Department. Because of the expense involved in maintaining the property, it was subsequently turned over to the Alien Property Custodian under the laws dealing with enemy assets in the United States.

After the war was over, these properties of the Third Reich were sold for approximately $300,000—a procedure unparalleled in our history.

Since it is impossible to return this property to the people of Germany, the committee is of the opinion that they should be recompensated in the manner provided for in this bill.

I might add that at the time the property was taken over by the Alien Property Custodian, I, together with the appraisers, went all over the property. We found that the chandeliers had been ripped out of the ceilings and the side walls and had been sold to someone in New York for $18,000. It was ascertained that it would cost a large sum of money to put the property in a good state of repair, and that the German Government, in view of that fact, already had bought property elsewhere in Washington on which to build a new embassy.

I objected at the time of the sale and made a lengthy speech upon the subject on the Senate floor. Nevertheless, the Attorney General recommended that the property be sold, and it was sold. The German Government is the only government whose property was sold, and the purpose of the bill is to enable the German Government to receive the same treatment as was received by the Japanese and other foreign governments after World War II.

The United States Government received $300,000, and the committee asks that that amount be returned. The State Department is strongly in favor of the bill because of public relations with Germany.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in order to enable the Federal Republic of Germany to acquire and maintain a German Embassy in the District of Columbia, the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $300,000 to the Federal Republic of Germany.

AMENDMENT OF INTERNAL SECURITY ACT OF 1950, AS AMENDED

The Senate proceeded to consider the bill (S. 2766) to amend section 7 (d) of the Internal Security Act of 1950, as amended which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after "(6)", to strike out "a" and insert "A"; on page 2, line 7, after the word "the", to strike out "Communist action" and insert "Communist-action"; at the beginning of line 8, to strike out "Communist front" and insert "Communist-front"; in line 10, after the word "the", to strike out "Communist action" and insert "Communist-action"; and at the beginning of line 11, to strike out "Communist front" and insert "Communist-front", so as to make the bill read:

Be it enacted, etc., That section 7 (d) of the Internal Security Act of 1950, as amended (50 U. S. C. 786 (d)), is amended by adding after paragraph (5) the following:

"(6) A listing, in such form and detail as the Attorney General shall by regulation prescribe, of all printing presses and machines including but not limited to rotary presses, flatbed cylinder presses, platen presses, lithographs, offsets, photo-offsets, mimeograph machines, multigraph ma-

chines, multilith machines, duplicating machines, ditto machines, linotype machines, intertype machines, monotype machines, and all other types of printing presses, typesetting machines, or any mechanical devices used or intended to be used, or capable of being used, to produce or publish printed matter or material, which are in the possession, custody, ownership, or control of the Communist-action or Communist-front organization or its officers, members, affiliates, associates, group, or groups in which the Communist-action or Communist-front organization, its officers or members have an interest."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

Mr. COOPER. May we have an explanation of the bill?

Mr. LANGER. Mr. President, this bill amends the Internal Security Act of 1950 so as to provide that any organization required to register under that act as a Communist-action or Communist-front organization must also register all equipment for the printing or publication of any printed matter in the possession, custody, ownership, or control of such organization. The necessity for the legislation results from disclosures by hearings conducted by a task force of the Internal Security Subcommittee that Communist underground printing facilities have been secretly established in various sections of the country to print directives and other material for use by the Communist apparatus in this country. These clandestine printing operations constitute an integral part of the conspiratorial operation of the Communists in this country and the proposed legislation would bring these operations into the open to permit proper surveillance.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The PRESIDING OFFICER. The call of the calendar having been completed, the Chair lays before the Senate the unfinished business, which is H. R. 8779.

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, before suggesting the absence of a quorum, I desire to make a brief announcement of the business which is expected to come before the Senate during the remainder of the week, so far as the majority leader can now foresee the program.

I hope that action on the Agriculture appropriation bill will be completed today. There are then to be considered a number of bills, notice of some of which has been given previously, but which I desire to repeat for the benefit of the record and the information of the Senate. They are as follows:

Calendar 935, Senate bill 2728, to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes.

Calendar 936, Senate bill 361, to provide for renewal of and adjudgment of compensation under contracts for carrying mail on water routes.

Calendar 1376, H. R. 9004, to authorize the appointment as United States Commissioner, International Boundary and Water Commission, United States and Mexico, of Col. Leland Hazelton Hewitt, United States Army, and for other purposes. This bill is identical with Calendar 1334, Senate bill 3457.

Calendar 1193, H. R. 5416, to authorize the advancement of certain lieutenants on the retired list of the Navy.

In addition to the foregoing bills, it is proposed to take up Calendar No. 139, Senate bill 978, to amend the Interstate Commerce Act in order to expedite and facilitate the termination of railroad reorganization proceedings under section 77 of the Bankruptcy Act and to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes, as to which notice has previously been given; Calendar No. 1460, Senate Joint Resolution 39, proposing an amendment to the Constitution of the United States to enable the Congress, in aid of the common defense, to function effectively in time of emergency or disaster; Calendar No. 1443, Senate bill 44, to provide for the appointment of deputy United States marshals without regard to the provisions of the civil service laws and regulations; Calendar No. 1479, H. R. 8571, to authorize the construction of naval vessels, and for other purposes; Calendar No. 1486, Senate bill 2178, to amend the Railroad Retirement Act of 1937, as amended.

The bills will not necessarily be called up in the order in which I have stated them, but I desire to give advance notice to the Senate relative to them.

On Thursday it is proposed to take up the housing bill, which is calendar 1485, H. R. 7839.

The other bills either will be taken up tomorrow or will be sandwiched in between other measures if a place may be found to consider them. Some of them might be taken up immediately following the completion of action on the housing bill, and before the consideration of the tax bill is begun. I hope that the tax bill may be ready by the end of next week.

Under the general understanding whereby the majority leader tries to give as much advance notice as possible to the Senate, I desired to give this advance notice of bills which are proposed to be taken up.

Calendar No. 1486, Senate bill 2178, to amend the Railroad Retirement Act of 1937, as amended, the last bill I mentioned, may be taken up as the first in the order of bills tomorrow, when the Senate has disposed of the unfinished business.

Mr. FLANDERS. Mr. President, has the absence of a quorum been suggested?

Mr. KNOWLAND. I was about to suggest the absence of a quorum, but if the Senator from Vermont desires to address the Senate now, I shall be glad to yield to him, unless he wishes to wait until after a quorum call has been had. Mr. President, I shall withhold the suggestion of the absence of a quorum until after the Senator from Vermont has spoken.

COLOSSAL INNOCENCE IN THE SENATE OF THE UNITED STATES

Mr. FLANDERS. Mr. President, I propose for a few minutes to address this body on the subject of the colossal innocence of the junior Senator from Wisconsin [Mr. McCARTHY].

I am not using the word "innocence" in the meaning of freedom from guilt for no question of guilt is involved. Rather the meaning is that of the blithe heedlessness of the young, who blunder innocently into the most appalling situations, as they ramble through the world of adults. Perhaps the best illustration of this kind of innocence is to be found in a popular cartoon series published daily under the title "Dennis the Menace."

Our busy Senator does get us adults into all kinds of trouble. His constructive activities consist largely in pulling personalities out of the FBI files and displaying them under the television lights. This is certainly a labor-saving operation, but it is not his only activity. Besides this, and while doing this, he spreads division and confusion wherever he goes. Note, for instance, the foreboding he inspires in our fellow citizens of Jewish blood and faith. Among them this is well-nigh universal, in spite of the fact that some of his closest associates are Hebrews. In seeking the origin of this foreboding, I have been led to remember the part the Senator played in the investigation of the Malmedy massacres, and the strange tenderness he displayed for the Nazi ruffians involved.

Perhaps this would not have been enough to perpetuate foreboding, but his anticommunism so completely parallels that of Adolf Hitler as to strike fear into the heart of any defenseless minority. We should always remember, by the way, that communism, nazism, and other dictatorships resemble each other far more closely than any of them resembles the free world into which we were born, and in which we hope that our children and grandchildren will live.

It was not the Jews alone who had reason to be troubled. The former chief of staff of the Senator's committee, without a word of rebuke from his superior, charged the Protestant ministry with being, in effect, the center of Communist influence in this country. Here the attack was on a vigorous, indignant majority, and the chief of staff had to go.

But the ghost of religious intolerance was not laid. Clearer and clearer evidence came to light of the danger of setting church against church, Catholic against Protestant. At a recent communion breakfast of the New York police

force, the Senator made a characteristic speech, blaming the Pentagon for not compelling the release of the remaining prisoners of the Chinese Communists. He did not say how this could be done short of renewing the war. Then he referred to his own proudest achievement—the detection of the pink dentist. Loud cheers from most of the audience—others silent.

Then Monsignor McCaffrey went into a eulogistic oration on the public service of our Senator. More cheers and silences.

Cardinal Spellman entered during the Monsignor's introduction and shook hands with our Senator. He arrived late and left early, but he did shake hands. Did this mean that the imprimatur of "nihil obstat" had been set by the church on these debonair campaigns to divide Americans from each other on religious lines? It looked like a pretty serious business.

But soon, thank God, from Chicago another voice was heard. It was that of a high and respected member of the Catholic Church, Bishop Sheil. He said that our Senator is doing more harm than good, and is dividing the United States instead of uniting it in a cause that of itself is supported by every good citizen. Continuing, the bishop said:

> An America which has lost faith in the integrity of the Government, the Army, the schools, the churches, the labor unions, and most of all an America whose citizens have lost faith in each other—such an America would not need to bother about being anti-Communist; it would have nothing to lose. Such an America—

He added—

> would have nothing to recommend it to freedom-loving men—nothing at all, not even the shining image of its victorious junior Senator from Wisconsin.

Thus it became evident that Dennis the Menace had driven his blundering ax deep into the heart of his own church.

His success in dividing his country and his church is paralleled by his unparalleled success in dividing his own party. While only a minority leader, his following is faithful and loud. This again raises uncomfortable comparisons with dictators elsewhere in the world. Not so long ago our Senator made one—just one—Republican speech. It was extreme, but it contained some painful truths. There were hopes that he might rejoin the party. But he soon dissipated these hopes, and instead resumed his ax-happy efforts to split it.

He has achieved the incredible success of persuading Republican Senators into a detailed and relentless search for some significant evidence of subversions in the Republican administration—and this in an election year. The search has no limits in minuteness or altitude. It reaches into the White House itself.

The cooperating group in the Senate is not large. It is not completely hypnotized. It is led on by the pitiful hope that some magic means may be found whereby Dennis the Menace will be transformed into a Republican asset.

Meanwhile, the investigation goes on and on. There are new synthetic and irrelevant mysteries served up each day, like the baker's breakfast buns, delivered to the door hot out of the oven. But the committee has not yet dug into the real heart of the mystery. That mystery concerns the personal relationships of the Army private, the staff assistant, and the Senator.

This hubbub centers on the Army private. What is it really all about? His usefulness as an investigator is continually asserted, but never documented. Let him also be investigated. When he is released for committee work, what does he do hour by hour? Whom does he see? What material does he analyze? What does he report? These questions are important and unanswered.

Then, there is the relationship of the staff assistant to the Army private. It is natural that he should wish to retain the services of an able collaborator, but he seems to have an almost passionate anxiety to retain him. Why?

And, then, there is the Senator himself. At times he seems anxious to rid himself of the whole mess, and then again, at least in the presence of his assistant, he strongly supports the latter's efforts to keep the Army private's services available. Does the assistant have some hold on the Senator? Can it be that our Dennis, so effective in making trouble for his elders, has at last gotten into trouble himself? Does the committee plan to investigate the real issues at stake?

Let us now leave these interesting domestic details and look at the worldwide strategy of communism. Let us begin by remembering that a while ago the Senator from Maine [Mrs. SMITH] was denounced by the Moscow press as an enemy of the people—that is, of communism. I have myself been honored by the same accolade. If the junior Senator from Wisconsin has ever been attacked by Pravda, it has not come to my attention.

In every country in which communism has taken over, the beginning has been a successful campaign of division and confusion. Race is set against race, party against party, religion against religion, neighbor against neighbor, and child against parent. Until lately we have been free of that. We are so no longer.

We have marveled at the way in which the Soviet Government has won its military successes in Asia without risking its own resources or its own men. It has been willing to continue the conflict until the last Chinese Communist is killed.

What we are now seeing is another example of economy of effort and expansion of success in the conquest of this country for communism. The preliminary campaign is successfully underway. One of the characteristic elements of Communist and Fascist tyranny is at hand, as citizens are set to spy upon each other. Established and responsible government is besmirched. Religion is set against religion, race against race. Churches and parties are split asunder. All is division and confusion.

Were the junior Senator from Wisconsin in the pay of the Communists, he could not have done a better job for them.

This is colossal innocence, indeed.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUSH in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG. Mr. President, I shall take only a few minutes to explain the action of the Senate Appropriations Committee on the agricultural appropriation bill, House bill 8779. Our action was confined mostly to some readjustments.

Mr. President, I believe the House has sent to the Senate an excellent bill, to some extent because of amendments submitted on the floor of the House, and particularly because of the fine work done by the Subcommittee on Agricultural Appropriations of the House Appropriations Committee, headed by Representative H. CARL ANDERSEN, of Minnesota.

The amount of the bill as passed by the House of Representatives, was $720,102,654, or $21,360,841 in excess of the budget estimates of $698,741,813.

The bill as reported to the Senate includes increases totaling $5,617,120. That is the total of the increases voted by the Senate Appropriations Committee over the amounts voted by the House of Representatives—in short, a little more than $5,500,000.

On the other hand, the Senate Appropriations Committee has recommended decreases totaling $2,927,803—or a net increase of $2,689,317 over the amount of the bill as passed by the House of Representatives.

This amount is $157,339,968 below the appropriations for the fiscal year 1954.

The bill as reported to the Senate also recommends increasing the loan authorizations for production and subsistence loans under the Farmers' Home Administration by $2,500,000, to provide a total of $122,500,000 toward the demands for farm-operating loans to deserving farmers and stockmen who cannot secure credit from other sources.

With respect to this increase, I should like to give a little information as to the present program. During the fiscal year 1954 the Farmers' Home Administration made 71,518 loans. These were production and subsistence loans, totaling $138,073,451. Forty-seven percent of these loans went to World War I and II veterans, and I think a few to Korean veterans.

The largest increase in appropriations recommended is $1,750,000 for the agricultural adjustment programs, to provide a total of $41,750,000 for the work on acreage allotments and marketing quotas for tobacco, peanuts, wheat, cot-

ton, and corn. The increase is needed in order to avoid undue delay, particularly in wheat and cotton, in issuing marketing quota cards to establish the quantity which the farmer can market without penalty.

The next largest increase is for the Forest Service, including control of forest pests, forest research and acquisition of lands, amounting to $1,457,300.

Research control porgrams are increased by $827,220, soil conservation is increased by $620,000 for nurseries and flood prevention, and crop insurance is increased by $500,000 for operations. Smaller increases are provided for marketing services and other offices of the Department.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. YOUNG. I am very happy to yield.

Mr. JOHNSON of Texas. I understood the Senator to say that the committee had increased the amount in the House bill for the Soil Conservation Service. I understand that a substantial part of that increase is to support the very fine flood-prevention work which is being done. Is that correct?

Mr. YOUNG. That is correct. Five hundred thousand was added to the appropriation for the 11 watershed projects.

Mr. JOHNSON of Texas. I commend the Senator and his committee for allowing an additional $500,000 for that program. How many projects are now being carried on?

Mr. YOUNG. Eleven.

Mr. JOHNSON of Texas. Two of those projects are in the Texas area. The local interests stand ready and willing to perform their cooperative part. The Soil Conservation Service has available people to do the technical work. The only slowdown is with respect to the funds in the agricultural appropriation bill. I assume the extra $500,000 will be allocated among the 11 projects according to the best judgment of those in charge of the program in the Department. Is that correct?

Mr. YOUNG. That is correct.

Mr. JOHNSON of Texas. I thank the Senator very much for his sympathetic consideration of our request in this particular field, and especially for the additional amount which has been allowed by the committee, as compared with the House bill.

Mr. YOUNG. I appreciate the Senator's comments. I know of his great interest in the program and his desire that the appropriation be much larger than it is. However, we have added $500,000, as the Senator has just stated.

The decreases recommended include $1,500,000 from payments to agricultural experiment stations estimated to increase by $5,732,000 over 1954. The amount of the appropriation still left in the bill will be $4,200,000 more than the amount allowed last year for payments to State experiment stations.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPPEL. I should like to ask the distinguished Senator in charge of the bill whether he is referring to the appropriation on page 5, line 6 of the bill, which, as it came from the House originally, aggregated $11,500,000, which the committee has reduced to $10 million.

Mr. YOUNG. That is correct.

Mr. SCHOEPPEL. I should like to ask the Senator in charge of the bill whether there are other committee amendments which he desires to offer first, or whether an opportunity will be given to increase that amount. I will say very frankly to the Senator from North Dakota that the Senator from Kentucky [Mr. COOPER] and I intend to offer an amendment at the appropriate time to increase the amount from $10 million to $11,500,000, or to object to the committee amendment reducing the amount to $10 million. In offering our amendment I wish to follow whatever plan the Senator from North Dakota has in mind.

Mr. YOUNG. It is my intention to ask unanimous consent that all the committee amendments be considered en bloc, without foreclosing any Senator from offering any amendment such as the amendment the Senator has in mind, after the committee amendments have been adopted.

Mr. SCHOEPPEL. Very well. At the appropriate time I shall offer an amendment to increase the amount.

Mr. YOUNG. $1,200,000 has been cut from Farmers' Home Administration of the increase of $1,500,000 provided by the House, and $227,803 from the school-lunch program, to provide last year's amount of $83,236,197.

Adjustments are recommended in the research programs in order to give greater emphasis to the problems specified in the report, amounting to $555,000 to be absorbed within the budget estimate provided by the House.

For REA loans for electrification, the House had increased the new loan authorization to $100 million, with a contingency authorization of $35 million. Added to a carryover from 1954 of $49,919,203 and rescissions of prior year loans of $8 million, a total of $192,919,203 is made available for the fiscal year 1955.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing the amount of money which has been made available for REA and the rural telephone program for the fiscal years 1953, 1954, and 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rural Electrification Administration—Loan programs, fiscal years 1953, 1954, and 1955

Item	Fiscal year 1953	Present estimate, fiscal year 1954	Present estimate, fiscal year 1955
Electrification:			
Loan authorization	$50,000,000	[1] $135,000,000	[2] $100,000,000
Portion of $45 million contingent authorization expected to be used in 1954		38,000,000	
Carryover from prior year	117 298,364	29,919,203	49,919,203
Rescissions during year of prior loans	27,593,501	12,000,000	8,000,000
Amount available for loans	194,891,865	214,919,203	157,919,203
Carryover into subsequent year	29,919,203	49,919,203	7,919,203
Electrification loan program	164,972,662	165,000,000	150,000,000
Telepbone:			
Loan authorization	35,000,000	67,500,000	[3] 75,000,000
Supplemental authorization	7,500,000		
Carryover from prior year	476,000	7,092,500	3,592,500
Rescissions during year of prior loans		3,000,000	
Amount available for loans	42,976,000	77,592,500	78,592,500
Carryover into subsequent year	7,092,500	3,592,500	3,592,500
Telepbone loan program	35,883,500	74,000,000	75,000,000
Total:			
Loan authorization	85,000,000	202,500,000	175,000,000
Portion of $45 million contingent authorization expected to be used in 1954		38,000,000	
Supplemental authorization	7,500,000		
Carryover from prior year	117,774,364	37,011,703	53,511,703
Rescissions during year of prior loans	27,593,501	15,000,000	8,000,000
Amount available for loans	237,867,865	292,511,703	236,511,703
Carryover into subsequent year	37,011,703	53,511,703	11,511,703
Total loan program	200,856,162	239,000,000	225,000,000

[1] Exclusive of $50 million contingent authorization.
[2] Regular authorization as passed by House of Representatives but excludes $35 million contingent authorization.
[3] Authorization as passed by House of Representatives.

Mr. YOUNG. With respect to diverted acres, language changes are recommended in connection with the advance authorization for the 1955 crop year, so as to make plans for the total authorization of $250 million, and so as to protect the distribution to the States of the $195 million for ACP payments.

Mr. President, I ask unanimous consent that the amendments of the committee be agreed to en bloc, and that the bill, thus amended, be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Department of Agriculture—Title I—Regular Activities—Agricultural Research Service—Salares and Expenses," on page 3, line 8, after the name "Georgia", insert "and of which not to exceed $100,000 shall be available for the construction of a cotton-ginning laboratory in the Southeast, including acquisition of necessary lands."

On page 3, line 16, after the word "law", to strike out "$17,461,380" and insert "$17,819,600."

On page 4, line 13, after the word "products", to strike out "$14,190,000" and insert "$14,325,000."

Under the subhead "Payments to States, Hawaii, Alaska, and Puerto Rico", on page 5, at the beginning of line 6, to strike out "$11,500,000" and insert "$10,000,000"; and at the beginning of line 23, to strike out "$19,453,708" and insert "$17,953,708."

Under the subhead "Foot-and-Mouth and Other Contagious Disease of Animals and Poultry", on page 7, at the beginning of line 14, to strike out "$1,800,000" and insert "$2,134,000."

Under the subhead "Federal Extension Service", on page 8, line 14, after the word "agents", to strike out "$1,885,000" and insert "$2,000,000."

Under the subhead "Forest Service—Salaries and Expenses", on page 12, line 3, after "(7 U. S. C. 1010–1012)", to strike out "$30,132,700" and insert "$30,860,000."

On page 12, line 21, after the word "methods", to strike out "$2,650,000" and insert "$2,430,000"; on page 13, line 4, after "(16 U. S. C. Supp. V. 594–1—594–5)", to strike out "$2,150,000" and insert "$2,585,000"; at the beginning of line 5, to strike out "$1,750,000" and insert "$2,185,000"; and in line 8, after the word "conditions", to strike out "$4,800,000" and insert "$5,015,000."

On page 13, line 21, after the word "economics", to strike out "$6,528,500" and insert "$6,918,500."

Under the subhead "Acquisition of Lands for National Forests—Weeks Act," on page 15, line 5, after "(16 U. S. C. 513–519, 521)", to strike out "$75,000" and insert "$125,000."

Under the subhead "State and Private Forestry Cooperation," on page 16, line 22, after the word "industries", to strike out "$10,608,690" and insert "$10,683,690."

Under the subhead "Cooperative Range Improvements," on page 17, line 6, after "(16 U. S. C. 580h)", to strike out "$281,000" and insert "$500,000."

Under the subhead "Soil Conservation Service—Conservation Operations," on page 17, line 20, after the word "employees", to strike out "$58,965,671" and insert "$59,085,671."

Under the subhead "Flood Prevention," on page 20, line 6, after the word "expended", to strike out "$6,982,000" and insert "$7,482,000."

Under the subhead "Agricultural Conservation Program Service," on page 21, line 18, after "(16 U. S. C. 590g–590q)", to strike out "including not to exceed $6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States."

On page 23, line 9, after the word "administration", to strike out "but of this amount not more than $195,000,000 may be used until a final program has been adopted relative to the use of acreage diverted from production" and insert "but a program of only $195,000,000 shall be announed unless or until the Secretary has announced, as a condition of eligibility for price support, limitations on the use of land being diverted from crops under acreage allotments in 1955."

On page 23, line 23, after the figures "$1,500", to insert a colon and *"Provided,* That the funds available for payments and grants from said sum of $195,000,000 shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program."

Under the subhead "Agricultural Marketing Service—Marketing Research and Service," on page 26, line 22, after the word "States", to strike out "$11,463,500" and insert "$11,675,500."

Under the subhead "School Lunch Program," on page 27, at the beginning of line 24, to strike out "$83,464,000" and insert "$83,236,197."

Under the subhead "Commodity Stabilization Service—Agricultural Adjustment Programs," on page 28, line 15, after "(7 U. S. C. 1301–1939)", to strike out "$40,000,000" and insert "$41,750,000."

Under the subhead "Sugar Act Program," on page 29, line 7, after the word "exceed", to strike out "$1,392,000" and insert "$1,440,000."

Under the subhead "Federal Crop Insurance Corporation," on page 29, line 14, after the word "expenses", to strike out "$5,700,000" and insert "$6,200,000."

Under the subhead "Farmers Home Administration—Loan Authorizations", on page 32, at the beginning of line 5, to strike out "$120,000,000" and insert "$122,500,000."

Under the subhead "Salaries and Expenses," on page 32, at the beginning of line 16, to strike out "$23,750,000" and insert "$22,550,000."

Under the subhead "Office of the Solicitor," on page 32, line 23, after the word "service", to strike out "$2,000,000" and insert "$2,060,000."

Under the subhead "Office of the Secretary," on page 33, line 14, after the word "Agriculture", to strike out "$2,050,000" and insert "$2,110,000."

Under the subhead "Office of Information," on page 33, line 25, after the word "Department", to strike out "$1,180,400" and insert "$1,196,000"; and on page 34, line 6, after the word "exceed", to strike out "$324,000" and insert "$537,000."

Under the heading "Title V—General Provisions," on page 39, line 13, after the word "exceed", to strike out "500" and insert "621."

On page 43, at the beginning of line 2, to insert "and Farm Credit Administration."

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. SCHOEPPEL. Mr. President, on behalf of the Senator from Kentucky [Mr. COOPER] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas, for himself and the Senator from Kentucky [Mr. COOPER], will be stated.

The LEGISLATIVE CLERK. On page 5, line 6, in lieu of the numerals proposed to be inserted by the committee, it is proposed to insert "$11,500,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL].

Mr. SCHOEPPEL. Mr. President, I wish to commend the committee for the excellent manner in which it has gone through the bill. I know that the task was a difficult one. The committee has done a fine job.

However, I have the feeling that the amount of $1,500,000 should be restored for research purposes in the Department of Agriculture. To permit the amount recommended by the committee to stand would seriously restrict necessary research in connection with a great many agricultural problems now faced by the farmers. That statement is based upon a very careful analysis of conditions in this field which points to a much-needed increase in the research effort. Many directors of various State agricultural experiment stations have pointed out that, during the fiscal year 1955, 8 or 9 States will have provided for research activities and experimentations directed toward the solution of many of the serious problems which confront the agricultural economy, including, among others, crop conditions.

If we are to reduce appropriations—and I know many appropriations must be reduced if we are to arrive at a balanced budget—certainly there is one activity on which we should not skimp when it comes to appropriating money, and that is legitimate research, which is so vitally important, as has been demonstrated in the past few years. Surely we all have confidence in our agricultural college experiment stations and what they are doing and trying to do in the field of agricultural research.

I believe that if the amount recommended by the committee is permitted to stand many of the research projects which have been undertaken and which will hereafter be undertaken in connection with the farm program will be seriously impaired. Urgent proposals in the field of animal and plant diseases, utilization of agricultural products, human nutrition, will of necessity be curtailed.

I do not know exactly how the members of the Subcommittee on Agricultural Appropriations felt about the matter, but I am certain that restoring the amount to $11,500,000 would pay great dividends.

I do not care to labor the point, but I wish to say very definitely that if we reduce the appropriation we will cut the heart of some of research projects which are very essential indeed.

I hope that the Committee on Appropriations, in its wisdom and judgment, will accept the amendment on behalf of myself and the Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] on behalf of himself and the Senator from Kentucky [Mr. COOPER].

IMPLICATIONS AND GROWING FEAR OF ADMINISTRATION'S INDOCHINESE POLICIES

Mr. MORSE. Mr. President, I wish to take about 5 minutes on an entirely different subject. I have just concluded a week's trip across the country, during which I talked to a great many fellow Americans. I believe it to be important that a brief statement be placed in the RECORD today about the development in our country of a fear which, I regret to say, is well founded. There is a growing fear among our people that a military

clique within the administration is bound and determined to take this country into war in Asia in the near future.

The American people by an overwhelming majority are rightly of the opinion that there have not been advanced by this administration any facts which justify American armed intervention which would result in the slaughtering of American boys in the jungles of Indochina. I believe it to be important that we stop and look and listen, and that there should be no repetition of some mistakes we have made in the field of American foreign policy during the past few months.

As a Member of the Senate, I wish to say to the Committee on Foreign Relations and to the Committee on Armed Services that those two committees have a tremendous obligation to the Senate and to the American people to call before them Admiral Radford and Admiral Carney, to examine them at great length, and to ascertain just what their ideas are and what evidence they have which would justify what many people feel is the flexing of war muscles on the part of those two admirals.

The United States needs to be very careful that in seeing to it there shall be no digression from its historic policy of nonaggression and that there shall not be followed a course of action which will cause millions of people in the so-called backward areas of the world to claim that, under the guise of democratic slogans, we seek to enforce colonial, imperialistic policies in the East.

No Member of the Senate is more aware than am I of the tremendous threat of communism to the free world. That is why, without a single exception in my 9 years in the Senate, I have stood up and fought for increases in our defense budget, because I believe that at all times we must keep ourselves in such a position of strength that Russia will know we can stop, and stop forthwith, any aggressive action on her part against ourselves or against our allies.

The argument that Indochina presents a problem similar to Korea needs analysis. It was in 1945, from my desk in the Senate, that I urged that Korea be placed under a United Nations trusteeship. It was in 1945 that I said in a speech on the floor of the Senate that if we did not recognize the provisional government of Korea and proceed to protect the freedom of Korea under the historic American principle of the right of weaker peoples to self-determination, there was a danger that Korea would fall as a ripe plum into Russia's lap.

Furthermore, in that speech I said if we did not follow the course of action of protecting the freedom of Korea, there was a danger that Korea would become a threat to the peace of Asia.

We did not follow that course of action. To the contrary, we joined with Russia in the partition of Korea along the 38th parallel on the basis of a military settlement with Russia. It was a settlement of military convenience. It was a serious mistake, as some of us suggested at the time.

I believe we are on the verge of making a similar mistake in southeastern Asia.

I am of the opinion that three forces prevented our moving with great haste into armed intervention in Indochina following the Vice President's speech, which, in my opinion, was a trial balloon sent up to see whether the American people would hastily approve of armed intervention in Indochina.

I believe one of the forces was the American press. Immediately following the Nixon speech, on the editorial pages of American newspapers a great many editors urged caution, as I urge caution now. A few radio and television commentators also challenged the Nixon speech and the suggestion of armed intervention in Indochina. Many editors asked the simple questions: What are the facts? What will be the status of Indochina if American armed intervention takes place? What will be the relation of Indochina to France if American armed intervention takes place?

Those questions still remain unanswered. There are those, as sincere in their support of armed intervention as I am in my opposition to armed intervention, in the absence of any facts which would justify a different view on my part, who seem to be of the opinion that we would solve the problem if we guaranteed Indochina independence now. Of course, independence now is essential, but it is not enough. Independence now is not going to save Indochina from the Communist threat, Mr. President, unless independence is accompanied with United Nations action which will provide for Indochina some form of trusteeship whereby clear notice will be served on Russia that the United Nations will protect Indochina in its right to self-government until such time as free elections can be held and Indochina can stand on its own feet as an independent nation. Merely to grant independence now, Mr. President, I submit, will not be enough, because I am satisfied that the Russian technique is so far advanced that she hopes to win at least a part of the Indochina area, no matter what action the United States may take unilaterally or bilaterally with France.

So, Mr. President, I think it is true that what we need to do is to move only through and as a part of the United Nations program.

Then, too, Mr. President, we need a great deal more evidence than we have in support of the assumption that, if chaos develops in Indochina, America is threatened in the Pacific. I happen to be one who believes that it is too easy to jump to the conclusion—and many sincere persons are jumping to that conclusion—that freedom in America and among our allies will be jeopardized if a chaotic condition should develop in that area of Asia. I am not yet ready, on the basis of anything I have heard from Radford or Carney or any others of the military clique, to vote to sacrifice thousands upon thousands of American boys in order to prevent what it is claimed will be a chaotic condition if communism moves into that area of the world with resulting danger to American freedom.

I am inclined to believe that Russia can spread out much too much, and I am of the opinion that she is already beginning to do so. I think we had better consider the great probability that Russia can become so thin, so far as her own defenses are concerned in that section of the world, that if we are willing to think and to act in terms of historic American policy, to proceed to fight communism on economic grounds and make plain to those so-called backward areas of the world which are being threatened by the Russian menace the advantages of economic freedom, the result will be the loss of that part of the world to Russia.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. In a moment.

I raise my voice today, Mr. President, I think, in harmony with the thinking and with the fears of a great many Americans, in a plea to the Foreign Relations Committee and the Armed Services Committee of the Senate to proceed to find out every fact they can from these military leaders, who are talking in these days, sometimes by innuendo, in terms of intervention in Asia. I would have those two committees serve clear notice on the military that this is still a civilian government. We must make clear to the military that if we are to become involved in war we will become involved by civilian action, and that we shall not look kindly upon any activities on the part of the American military designed to create incidents which will get us into such a situation as will merely increase the probabilities and the possibilities of our getting into war.

I think it is of the utmost importance that we proceed to exercise all our civilian checks upon the American military and that due notice be served on the Radfords, the Carneys, and all the rest of the war-talking military that they had better come and talk to the appropriate committees of the Congress, and stop issuing statements to the American people which, in my judgment, are stirring up the kind of fear which I found in the American populace during the past week as I discussed questions of foreign policy in various parts of the country.

I close, Mr. President, by saying that I think Congress had better recognize its obligation to insist that this administration take Congress into its confidence and give us the facts and the information that justify the continuing innuendoes that may well lead to our participating in armed intervention in Indochina.

No one should be surprised, Mr. President, at the failure of the Geneva Conference. We played a part in that failure because, in my judgment, through our State Department, we did not lay the proper groundwork of planning for that Conference. I think most of us took judicial notice in advance of the convening of the Conference that it would be a failure. Yet, Mr. President, I think it is important that we insist on trying to narrow the area of disagreement between and among the allies before we sit

down again in the future with the Machiavellian, the vicious, and the clever Russian propagandists who think and hope that they can drive wedges of discord between and among the allies, as they seem to have succeeded in doing to a remarkable degree at the Geneva Conference.

Mr. President, I am very much concerned about the talk in this country on the part of some of our political leaders as well as some of our military leaders, to the effect that we are going to lay down the terms in Asia and the rest of the world will have to follow those terms. Let us remember what the Asiatic child from the time he can understand folklore, from the time he can listen and understand, has drilled into him. It is the decades-old fear of western nations, with the result that the average Asiatic, both behind the iron curtain and on the free side of the iron curtain, fears western domination of Asia. They consider the West their No. 1 enemy.

Mr. President, if the United States and her allies believe they are going to stamp out that fear by armed intervention in Asia, then they forget the sad lessons of history. We, too, will fail to convince the Asiatics that they do not have to fear western domination, because, no matter how we dress it up in democratic labels and slogans, Mr. President, the Asiatics want none of western domination even though it be under the guise of United States support of French policy. England learned it. Consider how much smarter England has been in the field of Asiatic diplomacy than we are at the present time. Not so long ago England lost India, so far as India being a part of the British Commonwealth is concerned, and yet today England among the western powers is the most respected nation in the world, and we are one of the most disliked nations. We have lost the sympathy of India for the time being. I happen to be one who believes we lost it primarily because of the fumbling of the Secretary of State. But be that as it may, we certainly do not stand in good graces in India, and we must bring her back into the family of free nations, in my judgment, if we are going to have any hope of success in building up our prestige in Asia.

Mr. President, today I raise my voice in warning that, in my judgment, if Congress does not require from this administration the evidence and the facts that justify the warlike talk which is coming from such military leaders as Radford and Carney, there is great danger that we are likely to be catapulted into a war with Indochina, with the sacrifice of tens of thousands of our boys. I am sure history will prove it to be an unjustified and unnecessary war.

I now yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, first of all, I wish to commend the Senator from Oregon for his statement in which he pointed out something which is of the utmost importance, namely, that in Asia the western powers are not held in the highest esteem primarily because of the long history of colonialism. I think we have underestimated the impact and the importance of this very real political and psychological factor in the thinking of Asiatic peoples.

This leads me to make the observation to the distinguished Senator from Oregon, as possibly being supplemental to his remarks, that in all the talk and negotiations on the part of our State Department concerning the Indochina war and the Indochinese problem, there are yet to be initiated conferences with the Asiatic nations themselves. I clarify that statement by saying that at the very time the Secretary of State talked about united action against the Communist revolution or Communist rebellion in Indochina, he had not consulted with a single Asiatic state, head of state, or foreign minister.

We saw the pattern of a great western power, the United States of America, deciding Asiatic policy with the two foremost colonial powers in the world, Great Britain and France. Those colonial powers have a tradition and a history of exploitation and of difficulty in the Asiatic area which do not endear them to the peoples of Asiatic countries, who are fighting and struggling for their independence.

It appears to me that if there is to be any form of Asiatic pact the first step in the very delicate negotiations which would lead to such a pact or alliance would be to have most frank and intimate consultations with the representatives of such nations as Indochina, Burma, Thailand, Ceylon, and, above all, India.

I think it ought to be made crystal clear that anything which transpires in southeast Asia, in terms of political developments, alliances, or a common front against Communist subversion and aggression, must include the full participation of the Government of India and the people of India. I know that many persons will say that Prime Minister Nehru is difficult to get along with. My only comment is that if he is difficult to get along with, there is no guarantee that someone who may succeed him in the years to come will be any less difficult. I am only suggesting that the United States Government had better do everything within its power to develop a friendly accord and relationship with the Government of India, rather than to implement the present tactics of setting the spirit of anti-Americanism at work in India.

I have recently had discussions with the very well known and eminent bishop of the Methodist Church in India, Bishop Pickett, who, by the way, is in this city. I had the privilege of having lunch with the bishop this noon, and the distinguished junior Senator from Oregon met the bishop at that time. Bishop Pickett has spent some 40 years in India, and has talked many times with the Prime Minister. Bishop Pickett has returned to the United States because, as he said, of a sense of urgency and of deep responsibility to speak to the American people about the developments in that area of the world.

The fact is that there is a growing anti-American feeling in India, which is getting to be almost out of control, not so much on the part of the Government, as on the part of the people. Why? Because, first, of the mutual security pact with Pakistan. I remind the Senate and the officials of the Government that after having secured the military-assistance pact, the Government of Pakistan, in East Pakistan, suffered one of the most severe political defeats in its history. The headlines over the weekend told of the violence which has occurred in East Pakistan. We have not solidified our strength in that area; we have jeopardized it. If we examine what is happening among the 350 million people of India, we find even greater difficulty developing there.

All I am saying, in line with what the distinguished Senator from Oregon has so well pointed out, is that there is no hope whatsoever of the United States of America doing the job alone in any area of the world such as Asia. Nothing could be a worse tragedy than for the people of the United States and their Government to try to take the full and sole responsibility to police every single area of the world in which there may be Communist violence and disturbance. The only possible hope of stability and peace in southeast Asia is for the Asiatics themselves to lead the great movement for stability and security in their own area with our support, and with the full support and under the auspices of the United Nations.

I may say to the Senator from Oregon that I think the time is long overdue when the problem should be placed before the United Nations. The official reason for not placing it there is that the French would protest. Why should the French protest? Because of Morocco, Tunisia, and Algeria. The truth is, whether the French protest or not, that there are Members of the Senate who will live to see the day when the question of Morocco, Tunisia, and Algeria will be before the United Nations, French resistance or no French resistance.

I consider it to be absolutely incumbent upon our Government, as the leading spokesman in the councils of the United Nations, to do everything it can to make certain that the United Nations takes the Indochina question under its advisement, and, under the rules of procedure within the United Nations, draws up a program and policy, as the Senator from Oregon has outlined, of trusteeship for independence and self-government in that area.

There will be those who will say that the Soviet Union will not permit such action. My answer is this: At least it should be tried; at least an attempt should be made; because without an attempt being made, there is only one of two alternatives left: The loss of all of Indochina to the Communists; or active military intervention on an almost unilateral basis. To me, either of those alternatives is intolerable.

I suggest that the Government of the United States proceed forthwith to do two things, as the Senator from Oregon has pointed out: Reaffirm our belief in the full independence of Indochina; and

second, the responsibility of the United Nations to check aggression, violence, and rebellion in that area.

Finally, I think there are some words of encouragement to be said. I believe there are signs of encouragement. Gen. Bedell Smith, Under Secretary of State, who has been heading the American mission in Geneva, apparently has been doing a very creditable job. I have had great confidence in Gen. Bedell Smith. I think he understands the world situation very well. Despite the very poor beginning in Geneva, it appears to me that the Under Secretary of State is making a substantial advance. Recent press reports, especially a news item printed in the New York Times of last Friday, indicate that General Smith and the representative from India, Mr. V. K. Krishna Menon, have been working together, and there appears to be a meeting of the minds. I wish to pay my tribute to General Smith. I think he is a splendid officer of the Government, and that he has a close understanding of what is going on in the State Department. If he can proceed to inch along, we possibly have a chance to salvage something from the Geneva Conference, rather than to expect what seemed to be a few weeks ago a dismal defeat. I hope progress will be made.

Mr. HUMPHREY subsequently said: Mr. President, earlier today, in the colloquy between the Senator from Oregon [Mr. MORSE] and the junior Senator from Minnesota, I made reference to the commendable action and work of Gen. Bedell Smith at the Geneva Conference. At that time I referred to a newspaper story printed in the New York Times of Thursday, May 27, 1954. I did not have the clipping in my possession at that moment. I therefore ask unanimous consent to have printed in the RECORD at the point at which I engaged in colloquy with the Senator from Oregon, and where I referred to the work of Gen. Bedell Smith at the Geneva Conference, the story in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIANS ARE MORE FRIENDLY TOWARD UNITED STATES POLICY IN ASIA—CLARIFICATION ON INDOCHINA BY DULLES AND COURSE AT GENEVA WINNING SUPPORT

(By Robert Trumbull)

NEW DELHI, INDIA, May 26.—Secretary of State Dulles' clarification yesterday of United States policy on Indochina advanced a significant recent trend here toward a friendlier appreciation of Washington's views.

Among the influential Indians it is felt that the United States has shown commendable elasticity in negotiations at Geneva, not only with the Communists but also with the allies, who sometimes differ with Washington.

Part of India's changed attitude may stem from the fact that two of Mr. Dulles points coincide with strong Indian views. These were his assertions that the United States was not prepared to defend colonialism but would act only for the defense of liberty and independence and that the United States would act in Indochina only if the U. N. gave Washington its moral sanction.

Indians concerned with foreign affairs feel that the United States, no less and perhaps more than the Communist powers, has shown a disposition to meet opposing points of view halfway at Geneva. Previously, Indian attitudes had been conditioned by what had been regarded here as excessive American rigidity.

GENERAL SMITH GAINS SUPPORT

The Indians are especially impressed because they are sympathetically aware of Mr. Dulles' delicate relations with Congress. It also is clear since Gen. Walter Bedell Smith took over from the Secretary of State at Geneva that the Under Secretary's personality is more attractive to the Indians than Mr. Dulles', and this may be another factor in the changed atmosphere.

Apparently, the United States acquiescence in the move to draft India for a policing role in any Indochina truce also has pleased opinion here.

It would not be strictly accurate or fair to say that the Indian attitude toward the United States has undergone an overnight change. A subtle change became apparent shortly after the Colombo conference of Prime Ministers, where Jawaharlal Nehru of India had a chance to talk with his southeast Asian colleagues for the better part of a week. Three of the four other premiers—Mohammed Ali, of Pakistan, U Nu, of Burma, and Sir John Kotelawala, of Ceylon—offered strong views on the Communist menace of Mr. Nehru's neighbors, particularly Burma, the most immediately threatened.

In this same period, while Mr. Nehru was pressing for a ceasefire in Indochina, the Communist-led Viet Minh intensified its attacks there.

Mr. MORSE. Mr. President, I thank the distinguished Senator from Minnesota, and I wish to associate myself with the observations he has made by way of contribution to my remarks.

I do not think there is any doubt about the fact that the African possessions of France and the colonial policy she follows there can be anything but of negative worth. In respect to our relationships with France and Indochina, I think it would be a great mistake for the United States either to go it alone in Indochina, or to go arm in arm with France in Indochina, because if we do so we shall be associated with the idea of trying to support the colonial policies of France in north Africa.

There may not be a Member of the Senate who will live to see it, but history is going to live to see it. Sooner or later we can be certain that the colonial policies of France, or of any other nation, now applied to weaker peoples will die, because colonialism as a form of control of people within the world order is doomed. Only the passage of years remains for the doom to befall.

In the course of my remarks I started to name three things which, in my judgment, slowed up what seemed to me to be a clear march toward armed intervention in Indochina following the speech by the Vice President. I believe that if these three factors had not come into play American boys would be fighting in Indochina today.

I mentioned, first, the negative reaction which resulted on the part of a large segment of the American press, radio, and television. The American press is deserving of tremendous credit for hoisting a series of signal flags of warning urging a go slow policy, until, at least, all the facts were known. Also, those radio and television commentators who spoke out on this issue deserve our thanks.

The second factor was the bipartisan reaction on the part of Democrats and Republicans in the Congress of the United States, both in speeches in the Congress and outside Congress, for weeks immediately following the speech by the Vice President. By that means the American people were apprised of the necessity of the Congress getting more facts than it had been given at least up until that time, and there is still that necessity.

The third point was the political situation which developed in England. I am of the opinion that the critical attitude which developed within the British population and the strong opposition of the British Labor Party, which reflected itself in the bye-elections, in which foreign-policy issues played a very important role, had something to do with a change in the British attitude and the strengthening of the insistence of the British leaders that at least there should be delay until what happened at the Geneva conference could be known. As I said earlier, we are now in a position where we can take judicial notice of the fact that we are not going to be able to reach an honorable agreement at Geneva with the Russian leaders, who simply do not negotiate honorable agreements.

In closing, let me say I know of no fact which has been presented to the Senate—if it has been presented to the Senate Committee on Foreign Relations, the rest of the Senate is not apprised of it—which justifies the kind of statements which are emanating from some American military leaders. The speaking for this administration on foreign policy ought to be done by the President and the Secretary of State. The civilian check upon the administration ought to be handled by the Congress of the United States. That is why I have said today to the American people, "Beware; beware of these warlike statements coming from a group within the military in the United States Government." They sound like warmongers to me.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER (Mr. BUSH in the chair). The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] for himself and the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President. I have joined the distinguished Senator from Kansas [Mr. SCHOEPPEL] in offering an amendment which would increase the appropriation for Agricultural Research Service from $10 million to $11,500,000. The appropriation would be allocated to State agricultural experiment stations for research.

I should like to remind the Senate that for the past year and a half the Secre-

tary of Agriculture, in many speeches, has insisted upon the great importance of research, at this time when a strong effort is being made to develop a better farm program. In developing a stronger farm program, it will be necessary to find new export markets for farm products, new uses for farm products, to develop better marketing methods, all necessary for the strengthening and stabilization of farm prices and the marketing of full farm production.

I should like to emphasize some of the research programs which are affected by the amendment offered by the distinguished Senator from Kansas and myself, and to which he has alluded. The State agricultural experiment stations would undertake about 800 studies if the sum of $11,500,000 recommended by the Secretary of Agriculture and the Bureau of the Budget is maintained. It the cut of $1½ million made by the Senate Appropriations Committee is allowed to stand, it will mean that a great many, perhaps 200 of these important research studies will be eliminated. The research proposed includes research in animal and plant diseases, and research in soil and water conservation and management, fields of research with which we are familiar. The programs also include research into problems connected with the marketing of agricultural products, the new uses of agricultural products, research directed to more efficient and economical systems of farm production, of planning and farm management. All of this is needed to secure more efficient production, lower farm costs to farmers and better stabilized farm prices.

The appropriation last year was $6 million. I am happy that the President, the Department of Agriculture, and the Bureau of the Budget recommended an increase of $5½ million over the appropriation of last year to a total of $11,500,000. I am pleased, too, that the House of Representatives sustained the recommendation of $11,500,000. The amount approved by the Senate Committee on Appropriations, that is, $10 million is $4 million more than the $6 million provided last year. Nevertheless, in view of the problems which now affect agriculture, in view of the fact that we are trying to develop new uses for agricultural products, larger markets at home and abroad, a reduction of costs of farming, I believe that in this important field of research we should accept the recommendation of the President and the Bureau of the Budget. I think we would be shortsighted if we did not do so. I believe the Senate should approve the amendment offered by the Senator from Kansas and myself and add $1,500,000 to the appropriation. A great part of the money which the Congress appropriates for the agricultural program is directed to current costs and action programs. The appropriation I urge is at once a current and a long-time program. It is a program whose effects will be felt not only this year and next year, but for many years in the future.

I earnestly urge the Senate to restore the $1½ million for Agricultural Research Service by State agricultural experiment stations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] for himself and the Senator from Kentucky [Mr. COOPER].

Mr. YOUNG. Mr. President, in making the cut, the Senate Committee on Appropriations felt that an increase of $4 million over the appropriation of last year was probably all the experiment stations could absorb, if they were to function in the best possible way. The committee felt there might be some waste of money if the appropriations were too greatly increased in 1 year. There was no increase last year, and very little in the way of increases in previous years. In the fiscal year 1950 the payments to experiment stations rose from $10,600,000 to $12,500,000. In 1952 the payments were increased to $12,700,000, and they stayed at that figure until 1954. In fact, the proposed increase in the pending bill is the first recommended since the fiscal year 1951.

I think the amount appropriated for a purpose such as that now being discussed should be left very largely to the judgment of the Members of the Senate. The committee feels it has been rather generous in the appropriation which it has recommended. If the Members of the Senate feel that more should be appropriated for the purpose, I certainly am not going to object too much.

Mr. HAYDEN. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from Arizona.

Mr. HAYDEN. I agree with what the chairman of the subcommittee has just stated. The committee is proposing to appropriate $4 million more in this bill than was made available for payments to State agriculture experiment stations last year. In other words, the same kind of work is presently being done with a Federal contribution of $6 million. The committee increased the amount to $10 million, which is a substantial increase.

In the judgment of the committee, the extra personnel qualified to do the work could not be readily obtained. For that reason, members of the committee felt it was simply in line with sound business principles to decrease the amount recommended by the House by $1½ million, while at the same time allowing a substantial increase for such work. Such a reduction will permit the use of $1½ million for purposes specified elsewhere in the bill. It is not good business to hand out money when, in one's own good judgment effective use could not be made of it.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Arizona that there is a feeling on the part of many of us that the additional funds requested are needed because numerous research projects have been programed, and a curtailment of the funds to the extent of $1½ million would cripple those projects. What I have stated does not happen to be alone my own judgment about the matter. Seemingly it comes from State departments and agricultural experiment stations in the various and sundry States which have been giving much thought and attention to the problem. Personally, it is my opinion that if there is to be skimping in some direction in this day and age, there are a thousand and one things on which we can skimp other than on research programs which go to the heart of many of the farmers' problems. I wish to commend the Senator from Arizona. I know he has been careful in considering budget matters and finance.

Mr. HAYDEN. Let me say to the Senator from Kansas that no member of the Committee on Appropriations has been more active in all the past years than I have been in supporting adequate appropriations for research purposes. But, Mr. President, I think there must be reason in all things. In this case an increase of $4 million—or from $6 million to $10 million—seems to me to be a reasonable increase in 1 year. Inasmuch as $6 million was appropriated last year, I cannot understand how this agency can program for this year expenditures of $11,500,000, unless it had some advance notice in the past few weeks, that the House of Representatives would vote for an appropriation in that amount, and then proceeded to make a program to fit it. Certainly the agency can just as easily make a program calling for the expenditure of $10 million.

I may say frankly that a good many of those interested in agriculture in my State have sent word to me that they would like to have the full amount voted, and I have no doubt that similar word has been received by other Members of the Senate.

On the other hand, I am trying to exercise my best judgment as one who feels that an increase of $4 million in 1 year is sufficient to make it possible to obtain ability and talent in research work. Research workers cannot be found by simply going out on the streets and looking for them. They have to be trained. I should like to see an increase of $4 million tried for 1 year.

The PRESIDING OFFICER (Mr. BARRETT in the chair). The question is on agreeing to the amendment submitted by the Senator from Kansas [Mr. SCHOEPPEL], on behalf of himself and the Senator from Kentucky [Mr. COOPER], on page 5, in line 6. [Putting the question.]

The Chair is in doubt. Those in favor of the amendment will please rise.

Mr. AIKEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I should like to say a few words regarding the amendment submitted by the Senator

from Kansas [Mr. SCHOEPPEL], on behalf of himself and the Senator from Kentucky [Mr. COOPER].

First, I think the Appropriations Committee has done very good work on the agricultural appropriation bill. The subcommittee under the chairmanship of the Senator from North Dakota [Mr. YOUNG] devoted a great deal of time to the bill. While there may be a few items too large and a few items too small, on the whole it is a very good bill. As a member of the subcommittee on agricultural appropriations I had some qualms over the reduction of 1½ million dollars in the item for experiment stations. As I recall, the question was raised in the subcommittee as to whether the work which would require additional funds was programed. The additional funds represent a considerable increase over last year. No one seemed to know exactly whether the work was programed or not. The suggestion was made that perhaps a smaller appropriation this year and a larger one next year would be acceptable. The committee was very laudably trying to find places where it could eliminate some appropriations so as to make up for some increases which everyone seemed to think were advisable.

This morning I talked with the Assistant Secretary of Agriculture, Mr. Coke, who advised me that the use of the extra $1,500,000 had been programed. He pointed out a few places where we have perhaps overappropriated a little, and indicated that the Department would much rather have the money for the State experiment station work than to have some of the other funds which have been recommended. I reminded him that if we overappropriated in any place the Department need not feel called upon to spend all the money.

Had I known at the time the bill was reported that the Department had programed research work which would require an additional $1,500,000, I probably would have voted against reducing the appropriation for this item.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. I also looked into the subject, and found the facts to be just as the Senator from Vermont has indicated. As I understand, the research program is conducted by the experiment stations. Is it correct to say that the money which would be added to this item would be for experimental work or research by the experiment stations?

Mr. AIKEN. The Senator is correct.

Mr. FERGUSON. That is what I understood. I wished to be certain on that point.

Can the distinguished Senator in charge of the bill advise us on that point, as to whether the increased amount requested is for research conducted by experiment stations in the States?

Mr. YOUNG. That is correct. This item represents payments to the States themselves for work to be carried on by State experiment stations.

Mr. FERGUSON. Is there any matching?

Mr. YOUNG. In some cases the States are matching to the extent of 2 or 3 to 1.

Mr. FERGUSON. So if the States are to use this money for research by experimen stations—and I am now informed by the Department that that is the case—the States will have to put up money of their own to help carry out the research program.

Mr. YOUNG. I do not think that is true in most cases, but the States and other institutions have been matching these funds to the extent of 2 or 3 to 1.

Mr. FERGUSON. Would any of the money appropriated by the Federal Government be matched?

Mr. YOUNG. I do not think it is required to be matched, but in all probability there will be matching funds.

Mr. AIKEN. Mr. President, in view of what I learned this morning I certainly would have no objection to the restoration of the funds for State experimental and research work. I have before me a table showing how each State would be affected by the cut of $1,500,000. For example, under the cut proposed by the Senate committee, Michigan would lose $30,133.26.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HAYDEN. Does the table show how much more Michigan would receive from the extra $4 million which is made available than it received last year?

Mr. AIKEN. Yes. Last year Michigan received $304,301.02. The House increased that appropriation so that Michigan would receive $414,780.76 for the coming year. The Senate committee version of the bill would cut the amount $30,000, making the total to be received by Michigan about $384,000. The increase, under the pending bill, would be from about $304,000 last year to $384,000 this year.

Mr. FERGUSON. An increase of $80,000.

Mr. AIKEN. However, there was a recommendation for a 25 percent increase in all funds.

Mr. HAYDEN. The subcommittee thought the increase from $6 million to $10 was a substantial increase in a single year.

Mr. AIKEN. It is.

Mr. HAYDEN. I do not understand what the Senator from Vermont means by "programing." It should require but a few minutes to divide any given figure among the States according to established rules.

Mr. AIKEN. I should like to explain what I mean by that expression. The Senator may recall that last year representatives of farm organizations came to Congress requesting $17 million more for research work. When we inquired of the Department of Agriculture what it would do with the $17 million, representatives of the Department stated that they did not know what the Department would do with it at that time, because no program had been laid out to use it.

I understand from a conversation this morning that the Department requested what was thought to be necessary to conduct some 800 research programs which the Department hoped to carry on this year. When the committee was considering the bill the other day, I did not have that information. I thought, as does the Senator from Arizona, that an increase of three or four million dollars was a considerable increase for 1 year.

I want the Department to have what money is necessary for the research work to be carried on in the experiment stations. Many Senators will recall that in 1946 we passed the Hope-Flannagan Act, which originated in the House, looking forward to considerable expansion in the field of research in marketing work by the Department of Agriculture. The Department never did go nearly so far in that direction as was authorized by the Congress. It never asked for as much money as the Congress would probably have been willing to give it at that time. This year the Department is asking for an increase of approximately $5 million. It is true that an increase of three or four million dollars would be a substantial increase. It is also true that if the Department could give us good value for the extra $1,500,000, it would probably be a wise investment.

Mr. RUSSELL. Mr. President, I yield to no other Member of this body in my belief in research in the field of agriculture. The distinguished Senator from Vermont has referred to the Hope-Flannagan Act, which, I believe, was passed in 1938. I am not exactly certain as to the date. It was my honor and privilege to handle that legislation on the floor of the Senate. At that time I was a member of the standing Committee on Agriculture and Forestry. I was also chairman of the Subcommittee on Agricultural Appropriations. We made very substantial increases in the appropriations for research the year after that act became a law, and in succeeding years.

Undoubtedly there are many worthwhile projects in the list to which the Senator from Vermont has referred. But, Mr. President, I am convinced that the $4 million increase provided in the pending bill over and above the amount appropriated last year for research and experimentation at State stations is adequate and ample, and that it would be wasteful and extravagant to add another $1,500,000. It requires more than projects to conduct research; it requires personnel and it requires highly trained and skilled personnel to carry on the research that is so important to agriculture and to our entire economy.

I should like to point out that the pending bill carries an increase of approximately $7½ million for the field work in extension. We are all familiar with the work in extension. Every county has its home demonstration agents. Every county employs men who work in the field with the farmers.

What does that increase in the appropriation mean? I do not have the figures before me as they appear in the budget breakdown, but it means that the Department of Agriculture must immediately find 4,000 or 5,000 trained agricultural workers, both male and female, to go into the field extension service.

I do not believe the Department of Agriculture can find that many trained, skilled, and educated workers who have degrees in agriculture.

On top of that it is proposed to add another million and a half dollars for the State experiment stations. The committee has already allowed $4 million more than the State experiment stations had in the current fiscal year.

These projects are desirable, but in my judgment, based largely on our experience with the Research and Marketing Act of 1938—I believe that was the year it was enacted, the years slide by so rapidly that I cannot keep track of them—we wasted a great deal of money which was appropriated for research simply because trained and skilled personnel were not available to do the work.

In my judgment we will not get anything like 100 cents return on every dollar we appropriate for this item because there will not be available the skilled personnel who would be required at the State experiment stations to do the work, in addition to the personnel that will be employed to augment the field work of the Extension Service.

The million and a half dollars can be eliminated from the bill without doing any violence to anyone anywhere, or to any project. Indeed, it is my considered judgment that the reduction will assure our getting more value for our money from the $4 million increase which the committee has allowed over the current year's appropriations.

If the Senate wishes to vote for the additional amount, by restoring the figure passed by the House, I shall not complain. I have generally stood on the floor of the Senate and voted for rather substantial appropriations for agriculture. However, it is my judgment that here is a million and a half dollars which we could well save and at the same time add real strength to the research work.

The arguments which have been made in favor of adding the million and a half dollars also overlook the fact that the committee itself has added a large number of research items to the bill. They are items which were not contemplated in the budget. We have added appropriations for research in the field of cereal crops, for example. We have added $50,000 for research in oats. We have added $100,000 for research in wheat. We have added $50,000 for research in corn. We have added $35,000 for research in barley. We have added $20,000 for research in flax. We have added $40,000 for research in rice. We have added $100,000 for research in cotton.

Those figures were not included in the budget. It must not be forgotten that it will also be necessary to find trained personnel to carry on that work. Trained graduates of agricultural institutions in the number required are not available.

Of course, the Senate can appropriate the additional funds if it wishes to do so, but in my judgment value will not be received for the extra dollars. In my opinion it is good business judgment for the Senate to reject the amendment.

Certainly $4 million is a large sum to assimilate in the experiment stations in 1 year. When we consider the other research items contained in the bill—I have not read all of them; and a great many were not included in the budget estimates—we find that the proposed reduction is not so real as it would seem to be.

I say that because the other research work would be carried on in conjunction with the State experiment stations. If we add one and a half million dollars, as is proposed, at least half of the money will not produce anything, and we will, in addition, so water down the other valuable research projects as to impair the efficiency of the entire research program for the next year.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. COOPER. I should like to ask a question of the distinguished Senator from Georgia whose judgment on matters relating to agriculture I hold in the highest regard. I should like to ask the Senator, did the Department of Agriculture justify its figure of $11½ million.

Mr. RUSSELL. The department sought to justify it. Of course, whether it did justify it is a matter of opinion.

Mr. COOPER. It seems to me that the Department must have given consideration to the employment of necessary personnel when it recommended $11,500,000.

Mr. RUSSELL. This money is to be spent by the State experiment stations.

Mr. COOPER. I understand.

Mr. RUSSELL. I do not believe that the Department of Agriculture was asked questions about personnel. Of course, that is easy to understand, by the condition the bill is in. What happened was that the Department of Agriculture undertook to cut out a great many action programs all over the Nation. It proposed to cut out the Dutch elm action program, the citrus black fly program, the Hall scale eradication program, the insect detection and advisory service program, and other programs. It sought to counterbalance those reductions by large increases in the field of research. What happened? When the bill reached the floor of the House of Representatives, the House did not accept the reductions in the action programs. It restored practically every one of them. The programs which the House did not restore, the Senate committee restored. In that way the action programs have been maintained.

In addition, we have given the Department nearly all it asked for in connection with the research program.

The Department will not be able to get any personnel from the action programs, because Congress intends to carry them on. The various programs, such as the Japanese beetle program and the plant quarantine program, which the Department sought to cut, have been maintained.

In my opinion the Department did not justify the increase of $5½ million. That is the question the Senator from Kentucky asked me. Of course that is a matter of opinion. Others may hold a different view; and I doubt not that the State experiment stations hold a different view. Some of them have complained very vigorously about the reduction; but there can be no doubt that the very substantial increase can well stand this very modest reduction.

Mr. COOPER. Looking at the volume of hearing testimony, it seems to me that there are at least 100 pages of testimony which outline the Department's need in field research.

Mr. RUSSELL. The Department could have filled a thousand pages of testimony along that line. There is absolutely no limit to the compass of the field of research in agriculture. The Department of Agriculture could have submitted 5,000 pages of detailed research activities which would be desirable in the field of agriculture. However, it is my opinion, based on not a little experience with the subject, that if we gave the Department $25 million it could not carry on a substantially more efficient research program than it can carry on with the funds provided in the bill, because it is necessary also to get the personnel capable of doing the work.

Mr. COOPER. I have very great respect for the Senator's views on agricultural matters.

Mr. RUSSELL. I appreciate the Senator's statement.

Mr. COOPER. That is not the point at issue, it seems to me. The Senator spoke about action programs. I have always supported agricultural action programs, and I will do so in the future. I hold the belief, however, that for a long time there has been a definite need in our farm program for research which will look to the future and toward a long-term program. The $10 million freed by the Senate committee represents a raise of $4 million. But the raise from the original amount of approximately $6 million is not a very large sum when it is compared with the $700 million total of the agricultural appropriation bill.

Mr. RUSSELL. That is in addition to the research being done by the Department of Agriculture.

Mr. COOPER. These projects are pure research projects to be carried on by the State experiment stations and in the land-grant colleges. Again I say that at this time, when we are trying to develop new uses of farm products, better marketing methods, and lower costs of farm production, if the Department says it can justify $11,500,000, it is a matter of their judgment, and I think it would be wrong judgment to take away $1,500,000. If it is not used entirely this year, it would enable them to start their programs.

Mr. RUSSELL. An argument that the money would not be spent could hardly be sustained. I venture to say that if we gave them $5 million more they would find a way to spend it.

Mr. COOPER. I am making an argument for the research program.

Mr. RUSSELL. I do not yield to the Senator from Kentucky or to anyone else in my interest in the field of agricultural research. I would be willing to vote for a much larger sum if it could be properly expended, but when we have provided funds for the Field Extension Service, I do not think we can pyramid on top of that these other sums, because I do not

believe the Department can find people to do the work at this time.

Mr. HOLLAND. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Is it not correct to say that the $5,500,000 additional for this particular group of programs would be used to finance approximately 800 new field projects?

Mr. RUSSELL. I have forgotten the exact number. It is something less than a thousand.

Mr. HOLLAND. And the reduced amount would curtail that number to about 600, would it not?

Mr. RUSSELL. I think that is approximately correct.

Mr. HOLLAND. Is it not correct to say that if this amendment should be rejected the larger program appearing in the House bill and the reduced program approved by the Senate committee would be considered in conference?

Mr. RUSSELL. That is correct.

Mr. HOLLAND. In that case, the Department of Agriculture would have a full opportunity more specifically to justify the projected increases in the field of research.

Mr. RUSSELL. It certainly would.

I might say, Mr. President, from my knowledge of those Senators who in the ordinary course of parliamentary procedure would be appointed as conferees on the part of the Senate, that if that argument were made and the House conferees insisted on the item, there is no question in my mind that the item would be accepted.

Mr. HOLLAND. I do not know of anyone who would be more sympathetic than would the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from North Dakota [Mr. YOUNG], the distinguished Senator from Vermont [Mr. AIKEN], the distinguished Senator from Louisiana [Mr. ELLENDER], and other Senators, and I think we would be completely safe in leaving the case in their hands before the conference committee. I stand with the committee in the feeling that the fund is sufficient to expand the program.

Mr. RUSSELL. Mr. President, in my own behalf and in behalf of the other Senators mentioned by the Senator from Florida, I wish to express appreciation for the Senator's compliment.

Mr. AIKEN. Mr. President, let me say that the Department of Agriculture has indicated that the action of the subcommittee on agricultural appropriations in reducing by $1.5 million the provisions of the House bill for title I, section 9, of the Bankhead-Jones Act, will restrict seriously the initiation of necessary research on many critical critical problems facing the American farmer.

The Department memorandum has this to say:

Based on a careful analysis of problems demanding increased research effort, directors of the several State agricultural experiment stations have outlined some 800 studies for activation during the 1955 fiscal year and aimed at the solution of these more urgent problems. While the full impact of this reduction in appropriations on the individual States cannot be fully predicted, it is certain that in terms of total volume of work some 200 or more of these lines of research will not be activated. If this reduction is sustained each experiment station director would have to determine how his research program must be adjusted downward. This would inevitably result in curtailed activity in some important problem areas.

The memorandum which I have received goes on to say:

About 250 proposals covering urgently needed research on animal and plant diseases and insects were estimated to require in excess of $1,700,000.

Nearly 90 research proposals on problems in soil and water conservation and management from 44 States indicated a need for $560,000.

Problems related to marketing of agricultural products covered about 130 research proposals at an estimated cost of over $1 million.

Other equally urgent proposals covered research in field, forage, horticultural, and forest crop production and management; farm mechanization; utilization of agricultural products; human nutrition and home economics; and research on the development of more efficient systems of farm production.

Twenty-five percent of Bankhead-Jones, section 9, funds are designated as the Regional Research Fund. Reductions in this item would affect needed extension of program of regional research principally by eliminating proposed new research.

In terms of this cooperative regional research program, involving participation of two or more experiment stations on studies of problems extending across State lines, it seems certain that such important projected new work as studies of the chemistry and physiology of bloat in cattle, reducing weather hazards in farming, control of virus diseases of stone fruits, relation of pesticides to quality of product, control of forage insects, and certain areas of farm mangement cannot be activated as originally planned. It is within the framework of this total field of urgently needed research that the impact of reductions would be felt.

I do not wish to go into it word for word, Mr. President, I have told them that if they do not spend all the money, it should be returned to the Treasury at the end of the year.

I ask unanimous consent to have placed in the RECORD at this point a table from the Department of Agriculture which I requested to have prepared, showing distribution by States of payments to States for research for the fiscal year 1954, and estimates for the fiscal year 1955. The statement shows what the various States received, the increase in the House bill for 1955, and the decrease in the Senate bill for 1955.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Distribution by State of payments to States for research, fiscal year 1954, estimates for fiscal year 1955

State	1954	Increase 1955 (House bill)	Total 1955 (House bill)	Decrease 1955 (Senate committee bill)
Alabama	$311,446.59	$122,045.63	$433,492.22	$33,288.51
Alaska	121,013.61	24,087.44	145,101.05	6,569.28
Arizona	144,607.04	34,710.81	179,317.85	9,466.77
Arkansas	266,682.69	101,287.53	367,970.22	27,615.25
California	312,762.30	110,042.03	422,804.33	30,020.43
Colorado	165,505.66	45,875.03	211,380.69	12,512.03
Connecticut	152,978.61	37,092.21	190,070.82	10,116.29
Delaware	125,038.44	26,646.06	151,684.50	7,267.22
Florida	203,466.51	59,968.09	263,434.60	16,372.09
Georgia	326,190.47	126,305.23	452,495.70	34,450.31
Hawaii	135,388.16	32,014.58	167,402.74	8,731.66
Idaho	150,447.45	39,949.49	190,396.94	10,895.93
Illinois	316,773.33	116,686.52	433,459.85	31,826.36
Indiana	279,434.97	101,102.50	380,537.47	27,575.46
Iowa	276,366.93	102,794.75	379,161.68	28,037.67
Kansas	220,435.92	70,930.45	291,366.37	19,346.21
Kentucky	321,137.02	126,278.28	447,415.30	34,442.92
Louisiana	244,589.91	85,961.46	330,551.37	23,446.02
Maine	156,570.79	40,608.43	197,179.22	11,052.15
Maryland	182,147.63	51,020.76	233,168.39	13,915.40
Massachusetts	176,544.38	45,692.33	222,236.71	12,461.85
Michigan	304,301.02	110,479.74	414,780.76	30,133.26
Minnesota	267,068.05	99,861.69	366,929.74	27,237.61
Mississippi	307,518.25	126,043.03	433,561.28	34,379.15
Missouri	290,247.97	111,281.85	401,529.82	30,352.61
Montana	149,510.55	38,047.68	187,558.23	10,377.12
Nebraska	199,537.08	62,510.72	262,047.80	17,049.72
Nevada	119,752.03	24,123.48	143,875.51	6,579.16
New Hampshire	134,586.20	30,454.20	165,040.40	8,305.88
New Jersey	171,911.52	45,224.74	217,136.26	12,334.42
New Mexico	148,557.73	38,069.57	186,627.30	10,383.01
New York	318,959.36	111,079.12	430,038.48	30,296.36
North Carolina	$411,907.61	$171,160.89	$583,068.50	$46,685.05
North Dakota	169,131.43	48,089.39	217,220.82	13,116.19
Ohio	353,958.08	133,012.93	486,971.01	36,279.25
Oklahoma	243,293.50	81,992.00	325,285.50	22,363.40
Oregon	183,105.20	53,052.07	236,157.27	14,467.43
Pennsylvania	400,920.92	142,636.22	543,557.14	38,903.26
Puerto Rico	284,387.82	117,655.46	402,043.28	32,091.54
Rhode Island	124,040.13	25,467.75	149,507.88	6,943.63
South Carolina	263,865.76	96,941.65	360,807.41	26,439.81
South Dakota	168,399.51	47,564.66	215,964.17	12,973.06
Tennessee	322,229.98	128,274.74	450,504.72	34,987.58
Texas	427,282.80	171,252.77	598,535.57	46,642.13
Utah	138,460.26	32,964.39	171,424.65	8,990.59
Vermont	138,343.92	32,504.86	170,848.78	8,865.22
Virginia	298,100.49	109,530.60	407,631.09	29,874.52
Washington	199,782.84	60,345.96	260,128.80	16,458.92
West Virginia	242,258.83	79,259.17	321,518.00	21,617.57
Wisconsin	273,859.24	101,383.40	375,242.64	27,652.56
Wyoming	128,901.42	28,635.28	157,536.70	7,809.80
Total	11,773,707.91	3,959,999.62	15,733,707.53	1,079,999.62
Unallotted	.09	.38	.47	.38
Regional research fund, sec. 9 (b) 3 [1]	1,500,000.00	1,375,000.00	2,875,000.00	375,000.00
Allotments from Agricultural Marketing Act, sec. 204 (b) [2]	268,000.00	232,000.00	500,000.00	----------
Administration, sec. 9 (c)	180,000.00	165,000.00	345,000.00	45,000.00
Grand total	13,721,708.00	5,732,000.00	19,453,708.00	1,500,000.00

[1] These funds allotted to regional research projects recommended by the committee of 9, in accordance with procedures outlined in sec. 9 (b) 3, title I, of the Bankhead-Jones Act as amended.

[2] These funds allotted for matched fund marketing projects recommended by the Experiment Stations Marketing Research Advisory Committee and approved by the Department.

Source: U. S. Department of Agriculture Agricultural Research Service.

Mr. AIKEN. It has been pointed out, Mr. President, that if the reduction is made, it will go to conference, and it has also been pointed out that the conferees on the part of the Senate would be friendly to agriculture and to research, but it was not pointed out, I believe, that the conferees on the part of the House will very likely be those who did their best to cut research down to the bone and were overruled by the full House membership.

So, Mr. President, let us not be in the position of having an argument with those who tried so hard to cut research work pretty well down. Let us decide at this time whether we want to restore the $1½ million for cooperative work, for experiment stations, and so forth, and let us have a yea-and-nay vote on the question.

The PRESIDING OFFICER. The yeas and nays have been demanded. There is obviously a sufficient second, and the yeas and nays are ordered.

Mr. HUNT. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. HUNT. Would any of the $1,500,000 provided for in the amendment be available to soil analysis laboratories on federally owned land?

Mr. YOUNG. No, it would not. This is only for State agricultural experiment stations.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent that just prior to the recorded vote on the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL] in connection with agricultural research funds, a telegram which I received from the Minnesota Farm Bureau Federation be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *June 1, 1954.*

Senator HUBERT HUMPHREY,
United States Senate:

We understand the Senate is voting today on appropriations for agricultural research, also that Senate Agriculture Committee has cut amount as approved by the House. On behalf of the Minnesota Farm Bureau please attempt to restore amount to the House level.

MINNESOTA FARM BUREAU FEDERATION,
J. L. MORTON, *President.*
J. DELBERT WELLS,
Secretary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas for himself and on behalf of the Senator from Kentucky [Mr. COOPER]. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. YOUNG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. YOUNG. Is a vote of "yea" a vote to increase the appropriation by $1,500,000?

The PRESIDING OFFICER. The Senator is correct.

The Chief Clerk proceeded to call the roll.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the junior Senator from Mississippi [Mr. STENNIS]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CHAVEZ (when his name was called). On this vote I have a pair with the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate. The Senator from New Jersey [Mr. SMITH] is absent on official business. The Senator from Nebraska [Mrs. BOWRING], the Senator from Indiana [Mr. CAPEHART], the Senator from Pennsylvania [Mr. DUFF], the Senator from California [Mr. KUCHEL], the Senator from New Hampshire [Mr. UPTON], the Senator from Idaho [Mr. WELKER], are necessarily absent. If present and voting the Senator from California [Mr. KUCHEL], the Senator from Idaho [Mr. WELKER], and the Senator from Indiana [Mr. CAPEHART] would each vote "yea."

Mr. CLEMENTS. I announce that the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from North Carolina [Mr. LENNON], and the Senator from Washington [Mr. MAGNUSON], are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I announce further that the Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Massachusetts would vote "nay."

I announce also that if present and voting, the Senator from Alabama [Mr. HILL] would vote "yea."

The result was announced—yeas 51, nays 20, as follows:

YEAS—51

Aiken	Ferguson	Lehman
Anderson	Flanders	Long
Bennett	Fulbright	Malone
Bricker	George	Mansfield
Burke	Gillette	McCarthy
Bush	Gore	McClellan
Butler, Nebr.	Hendrickson	Millikin
Carlson	Hickenlooper	Monroney
Case	Humphrey	Morse
Clements	Ives	Mundt
Cooper	Jackson	Murray
Daniel	Jenner	Neely
Douglas	Johnson, Tex.	Payne
Dworshak	Johnston, S. C.	Potter
Ellender	Langer	Purtell
Schoeppel	Sparkman	Watkins
Smith, Maine	Symington	Wiley

NAYS—20

Barrett	Frear	Martin
Beall	Goldwater	Robertson
Bridges	Hayden	Russell
Butler, Md.	Holland	Saltonstall
Byrd	Hunt	Williams
Cordon	Johnson, Colo.	Young
Dirksen	Knowland	

NOT VOTING—24

Bowring	Kefauver	McCarran
Capehart	Kennedy	Pastore
Chavez	Kerr	Smathers
Duff	Kilgore	Smith, N. J.
Eastland	Kuchel	Stennis
Green	Lennon	Thye
Hennings	Magnuson	Upton
Hill	Maybank	Welker

So the amendment offered by Mr. SCHOEPPEL, for himself and Mr. COOPER, was agreed to.

Mr. SCHOEPPEL. Mr. President, since the amendment has been agreed to, it will become necessary to amend line 23 on page 5, wherein the committee amendment shows "$17,953,708." That figure will have to be changed to read "$19,453,708." I move that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I call up the amendment, offered on behalf of myself and my colleague, the junior Senator from Delaware [Mr. FREAR], the senior Senator from Maryland [Mr. BUTLER], and the junior Senator from Maryland [Mr. BEALL], and I ask that the clerk state the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, after line 23, it is proposed to insert the following:

SEC. 510. No part of any appropriation contained in this or any other act, or of the funds available to any corporation or agency included in this act or available to any corporation or agency which utilizes funds appropriated or borrowed on the credit of the United States, shall be used to make or guarantee (1) any loan for the construction or acquisition of facilities for broiler production; or (2) any loan for the expansion of broiler production operations; or (3) any loan in excess of $3,000 for the continuation of broiler production operations or the repair of broiler production facilities.

Mr. WILLIAMS. Mr. President, it is well known by those connected with the agriculture and poultry industry that the broiler industry has been in a state of overproduction for the past 3 or 4 years as a result of rapid expansion during the war. In the past 2 or 3 years top officials of the Department of Agriculture have been going into the broiler production areas and urging a cutback in production. Persons who are familiar with the problem recognized this as being the proper advice. We recently discovered the ridiculous situation where certain top officials in the Department of Agriculture were urging a cut in production in order that farmers could bring their production more in line with the needs of consumption while at the same time in other areas five Government

agencies were urging an expansion even to the extent that such agencies were financing and guaranteeing 100 percent of the loans both for the building of facilities and for the production of poultry.

In the beginning we were told that such loans would be of negligible amounts, running from about $2,000 to $3,000 and that they were made in order to assist some small producers who needed help. That theory has been exploded because it has been established that several loans have been made in excess of $50,000. Three loans for one individual were documented for $205,000, which certainly is not a small-time operation. This individual was operating under 5 different corporations.

The purpose of the amendment is merely to spell out that none of the funds provided for in this appropriation bill can be used to expand commercial broiler production when such industry is in overproduction. It would merely accomplish what the top officials of the Department of Agriculture have been saying; namely, that production should be brought under control.

It does not make sense to have a $10,000 or $15,000-a-year man in one area tell one group of farmers to cut back their operations and their production, while in another section of the country another official, sometimes from the same department, is telling the farmers to increase their production and encouraging them to expand and to obtain necessary financing from the Government.

A large number of these loans range from $25,000 to $50,000, and the agencies admit that there is nothing in their rules which prohibit a borrower from using more than one Government agency for credit.

There is no check between these agencies in most cases to determine the extent of the borrower's liabilities.

One agency frankly admits they have no inspection service to determine whether or not the funds are actually used for the purpose for which they are borrowed.

Mr. LANGER. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Delaware yield to the Senator from North Dakota?

Mr. WILLIAMS. I yield.

Mr. LANGER. Will the Senator from Delaware state the names of the five agencies to which he has referred?

Mr. WILLIAMS. I shall be glad to do so. One is the Farm Home Administration. The Farm Credit Administration is doing this under two different departments. Some farmers are obtaining such loans from the Intermediate Credit Bank by means of discount operations. The Veterans' Administration has been doing this under its housing program.

Our attention was also called to the fact—much to the surprise not only of ourselves but also of others who are interested in this matter—that this is being done under title I of the Federal Housing Act. Of course, that act is not dealt with by this amendment. However, under title I of the Federal Housing Act, loans up to $3,000 are made, and the officials of the Federal Housing Administration just claimed they helped only "the little fellow," although when we examined the act and the way it is being administered those officials readily admitted that the Government simply limits each loan to $3,000 and does not limit the number of loans any one applicant may receive—whether it be 50 or 100 different loans makes no difference insofar as that agency is concerned. The officials of this agency say they do not have the slightest idea of the extent to which that has occurred; they have no records on that point; they said the only time they can document that condition is when loans are in default.

I now propose an amendment to correct this condition and stop the loose flow of Government money into an overexpanded industry.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. AIKEN. How does the Senator from Delaware feel that his amendment would affect loans made by the production credit associations or the Federal land bank, in the case of a young man who wishes to go into the business of producing cabbages or chickens, and so forth?

Mr. WILLIAMS. The amendment is directed and confined exclusively to broiler production. So the amendment will not affect any of the nonrelated loans or any other loans handled by this agency. The amendment would affect the production credit associations only if they wish to discount the loans at the Intermediate Credit Bank, in which the Federal Government owns 100 percent of the stock, and, therefore, the bank is using the Government's money.

Mr. AIKEN. How would the Senator from Delaware determine which applicants were attempting to overexpand? Suppose an applicant was just coming of age and had not theretofore had to make a living for himself.

Mr. WILLIAMS. The Farmers' Home Administration already has the authority to take care of such situations. What we are trying to check here is the large-scale operator who is speculating with Government money. That is why a maximum limit of $3,000 is included in the amendment. In fact, that limit is already spelled out in the law as originally applied except now the officials say there is no limit on the number of $3,000 loans an applicant can obtain.

Furthermore, in the case of a young man who is starting in the farming industry—and I am perfectly willing to have the Government have a loaning authority to take care of such persons, why should such persons be encouraged to begin the construction of poultry houses and the production of an agricultural commodity which already is in oversupply, and selling below the cost of production. Several veterans have lost their new farms under such bad advice.

This amendment does not unduly restrict loans to an individual farmer who is operating his own farm. I have a great deal of sympathy for such persons, and I am perfectly willing to have the Government help individual farmers who get into trouble. But if a farmer wishes to run his neighbor's farm or the farms of half a dozen of his neighbors—as is now being done by means of the use of Government funds—then I think it is time to call a halt in such cases.

Mr. ANDERSON rose.

Mr. WILLIAMS. I yield to the Senator from New Mexico.

Mr. ANDERSON. Of course, I agree with the Senator from Delaware that we do not do a person a favor if we help him enter the broiler business at this time.

On the other hand, to reduce to its lowest terms the amendment of the Senator from Delaware, does not it mean that no more broiler factories would be developed in such cases?

Mr. WILLIAMS. That is true.

Mr. ANDERSON. At this time, the whole Delmarva peninsula has more broiler factories than it needs, has it not?

Mr. WILLIAMS. Yes.

Thus, Mr. President, to encourage overproduction makes no sense. We now have $6 billion of Government agricultural commodities hoarded or in storage. The amendment provides that the Government shall not engage in financing an already overexpanded industry.

No one is concerned with limited expansion on the part of individual farm owners. The poultry industry in the Delmarva peninsula developed into a great industry under private capital, and the farmers were making money until the Government began pouring millions into a lot of inefficient operations.

Mr. ANDERSON. I understand that the Senator's amendment is limited to individual operators.

Mr. WILLIAMS. That is correct, and the amendment applies only to broiler production and not to any other activities of the Department of Agriculture.

Mr. GEORGE. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS. I yield.

Mr. GEORGE. The Government has already made loans to broiler raisers, has it not?

Mr. WILLIAMS. That is correct.

Mr. GEORGE. Such loans have already been made to a number of persons, but I understand that now the Senator from Delaware wishes to prevent the making of such loans to any other persons.

Mr. WILLIAMS. I wish to prevent the making of first, second, or third loans to any individual for the purpose of expanding broiler production. Besides farmers are not the ones getting these large loans. I see no sense in having the Department of Agriculture make such loans to an overexpanded industry.

Mr. GEORGE. That is not the point. The point is that the Government has been making loans to broiler raisers, has it not?

Mr. WILLIAMS. That is correct.

Mr. GEORGE. The amendment now proposed by the Senator from Delaware would end that, and would say to all

other broiler raisers, "You cannot obtain such a loan"—regardless of whether the proposed loan were well founded or not.

If the Senator from Delaware proposed to require that only sound loans be made, or if he proposed an overall limitation on the amount of loans to be made for this purpose to any one producer, I could see some reason and good judgment behind the proposal.

On the other hand, I cannot see any virtue in a proposal to say to a number of persons who already have been granted such loans, "You are all right, but hereafter anyone else who applies for such a loan will be refused."

Mr. WILLIAMS. However, that is not the way the situation has affected the poultry business, as the Senator from Georgia knows. The broiler business is a 16 weeks to 18 weeks proposition. Although it is true that the amendment will not require the calling of existing loans, nevertheless such loans liquidate in from 3 to 4 months, if they are good; and if they are not good, then it is just as well to ascertain that fact.

So it is not a case of ordering a freeze in the industry or saying to those who now operate it, "We will continue to finance you, but we will not finance any newcomers." That is not the point at all. If there is overproduction, why should the Government finance it at all? That is my point.

There are various agencies to assist individual farm owners if they are about to lose their farms. This amendment will not affect that particular operation.

Mr. GEORGE. But the point is that although these loans have been made to individuals who wished to produce broilers in the poultry industry, now it is proposed to have the Government say that no further loans of that sort will be made. Thus the Government would discriminate against newcomers to the industry whose justification for the making of such loans might be just as meritorious as those of the persons to whom such loans have previously been made.

Mr. WILLIAMS. No; there would not be discrimination against anyone. It is true that such loans have been made in the past 2 or 3 years, but it is also true that as a result of the expansion provided for in this case, there has been a demoralized industry in which no one has made any money.

Mr. GEORGE. Oh, I think some money has been made, or else no further loans, to make it possible for various other persons to engage in that business, would be desired.

I think what the Senator from Delaware is worried about is that some people in the United States rather want a monopoly. They already have Government loans. They are already operating. I must leave the Chamber to attend a committee meeting, but I wish to register my viewpoint against this method of dealing with citizens who wish to go into a certain line of business.

Mr. WILLIAMS. I may say to the Senator from Georgia that if I correctly understand the inference behind his statement, it is that, perhaps, my own State has a monopoly, or desires a monopoly of the existing loans, and wishes to prevent his State or some other State from receiving any such loans. For your information I point out that under the first program, the State of Delaware had no loans. None are in existence today. The Senator's own State has a total of 151 out of 523 such loans. So if there is a monopoly, let the Senator speak for his own State, and not for Delaware.

Mr. GEORGE. I do not want a monopoly.

Mr. WILLIAMS. That is fine.

Mr. GEORGE. But if there are 10 more persons there who wish to raise poultry, let them raise it, if they can submit a good financial statement and obtain a loan.

Mr. WILLIAMS. If the Senator wants a situation in which loans are to be granted freely for an increase in the production of a crop which is already in oversupply, let us say definitely in this bill that such is the policy of Congress and reject my amendment, so that everyone will know what we are doing.

During the past 3 or 4 years we have received many complaints. My colleague [Mr. FREAR] and I have attended meetings at which many small farmers have stated that they were being forced out of business or that their business was being taken over, and they were being reduced to the status of tenants by some of the larger operators who are able to finance their operations with Government loans.

We have heard that complaint time and again. We have taken the question up with the departments affected, and they have consistently denied making any such loans. They now explain their position by saying, "We were not lending Government money. We are only a Government corporation, and so long as Congress does not appropriate the money the Government does not lose anything." That is absurd. The Government owns the stock in these corporations, and to the extent any loans are granted, or losses sustained, Government money is directly involved.

Mr. GEORGE. They may be unwise loans. Perhaps the loans should be limited in amount. But I do not believe in limiting loans as between citizens who are in the same business, or who want to go into the same business, and who should have the same opportunity to utilize a Federal loan.

Mr. WILLIAMS. There is nothing in this amendment which would discriminate between citizens who are already in the poultry business and those who are going into it tomorrow.

Mr. GEORGE. They could not obtain loans tomorrow if this amendment were adopted.

Mr. WILLIAMS. Neither could those who are already in the poultry business.

Mr. GEORGE. Perhaps there should be no further loans; but if we are not to have further loans, in addition to the loans already outstanding, why is this amendment necessary?

Mr. WILLIAMS. Because if it is not adopted, the loans will continue to be made.

Mr. GEORGE. Then the Senator wishes to allow one man to get a loan and prevent another man from obtaining a loan.

Mr. WILLIAMS. No. I know the Senator understands what we are seeking to do. We merely want to stop the practice of the Government's financing this particular industry throughout the country.

Our farmers on the Delmarva peninsula resent the fact that their money as taxpayers is being siphoned by the Government to other sections of the country to finance their competitors. I do not think it is right; but if the Congress disagrees with me, let us go on record so that everyone will know where we stand.

Mr. GEORGE. Very well. I merely wish to register my vote against the proposal.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. ANDERSON. Has not the development of the program of loans by the department for the construction of broiler factories been of rather recent origin? Is it not rather recent in its application?

Mr. WILLIAMS. It is recent. The program has developed only in the past 2 or 3 years.

Mr. ANDERSON. I think it is a very bad system of lending. I can see the propriety of supporting the individual farmer who happens to be going into the chicken business. Can the Senator from Delaware inform me whether or not I am correct in understanding that recently one of the large packers has been contemplating a very large plant on the peninsula, involving the installation of a highly mechanized broiler factory?

Mr. WILLIAMS. I do not know whether or not there is any Government financing involved in connection with the particular operation to which the Senator refers.

Mr. ANDERSON. I do not think there is any Government financing involved. Is not the tendency to build such plants with private capital?

Mr. WILLIAMS. The tendency in Georgia, as well as in the Delmarva peninsula since the end of World War II has been for control of the broiler industry to go into the hands of a relatively few. A half-million or a one-million broiler capacity is not at all unusual. The old method of producing them with an operation conducted by the individual farmer with a capacity of 10, 15, or 20 thousand on the farm, the farmer operating his own individual unit, has almost passed out of existence so far as our area is concerned; and I think that is likewise true in the State of the Senator from Georgia.

Mr. ANDERSON. I do not believe we can turn back the clock.

Mr. WILLIAMS. We certainly cannot.

Mr. ANDERSON. We cannot change the trend of industry, but it seems to me that we do not need to encourage that sort of thing with Government money.

Mr. WILLIAMS. That is my point. With respect to the individual farmer——

Mr. GEORGE. Mr. President, if the Senator will allow me to interpose, I remember that not too long ago we encouraged the cattle-raising industry.

Mr. ANDERSON. I am not objecting to the fact that Government money is made available for agricultural pursuits; but if we hade 10 million too many cattle I would not believe in trying to put a new area of the country into permanent pasture in order suddenly to increase the number of breeding herds in a situation in which the cattle population was already too large.

Mr. GEORGE. I think we had full production of beef cattle at the time. I am not objecting to what the Senator is talking about. My point is that I do not believe we should try to discriminate. I do not believe the Senator from Delaware should offer a discriminatory amendment and say that from now on we will make no further loans, if other citizens desire to go into the same business.

Mr. WILLIAMS. There is nothing discriminatory in this amendment, and there is no such intention. I would defend any agency of the Government for helping the individual farmer, the man who conducts the operation on the farm. If he gets into difficulty and cannot obtain local capital, and needs a little Government assistance in order to prevent the loss of his farm, even if the Government should lose a little money in that sort of program, I think the overall benefit to be derived from maintaining individual farm ownership more than compensates for the loss. But when it comes to financing the operations of one farmer who takes over a dozen or more farms of his neighbors, it should not be done with Government capital. If an individual farmer, by saving his money and working hard, can afford to buy his neighbor's farm, that is certainly a part of our system. But I do not think the Govermnment should ever reach the point where it uses the money of the taxpayers to enable one individual to take over all the operations of others in the community.

Mr. GEORGE. I do not think that is the case. The Government has been lending money to enable the small farmer to hold onto his little farm and still operate it as his own business.

Mr. WILLIAMS. I am familiar with how the program is administered. I have followed it through. I know that in one case a certain individual has $205,000 in Government loans. We followed that case through. That man is operating between 75 and 100 farms in his area. He has taken them all over. I do not mean that he owns all the farms, but he has taken over by means of cash rental the operations of those praticular farms. I say that it is unsound business when the Government, with taxpayers' money, enables one individual to obtain the money with which to operate all his neighbors' farms. The loss to the Government is only one factor.

In the particular case to which I have referred—and I am following the cases through one at a time, because I understand them better in that way—a certain individual has substantial assets of his own. He could perhaps go to the bank and borrow the money. Instead, he has formed a different corporate structure. There is no real estate whatever in the corporation. The only thing the corporation is doing is operating with Government money. On the side this particular individual is using his other business facilities to sell his products to the Government-financed corporation. He is operating with Government money, money of the American taxpayers, who if there is a loss must suffer it. I think that is unsound. If 75 individual farmers were in trouble, and were obtaining loans, that would be entirely different. However, that is not the case on the Delmarva Peninsula, and it is not the case in Georgia.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. GEORGE. Why does not the Senator simply propose to limit the number of loans which can be made to any individual, directly or indirectly?

Mr. WILLIAMS. That is what I am trying to do.

Mr. GEORGE. No. The Senator is trying to cut off loans to worthy farmers who want to do the same thing their neighbors have done. Perhaps the original program was unwise.

Mr. WILLIAMS. If the Senator from Georgia can suggest better language than this language, which he thinks would more nearly accomplish the purpose, I should like to have him suggest it. The legislative counsel and the committee staff working together have drafted this language.

Let me say to the Senator in charge of the bill that I think the RECORD is very clear as to what we are trying to accomplish by this amendment. I certainly am not wedded to this particular language. If there are restrictive provisions in it, as the sponsor of the amendment—and I think I can speak for the cosponsors—I am not trying unduly to restrict the operations of the individual family farm unit. We are trying to stop the Government financing of the commercial broiler production. When the bill goes to conference, if the chairman of the committee and the other conferees find this language to be unduly restrictive, they can certainly correct it. I believe the legislative record shows very clearly what we are trying to accomplish.

Mr. YOUNG. I believe the Senator from Delaware has made out a very good case for his amendment. It may be that some agencies are making too liberal loans. I see no objection to taking his amendment to conference to find out what we can do about it. But I would remind the Senator that his amendment constitutes legislation on an appropriation bill and is subject to a point of order. If the point of order is not made, I shall be glad to take the amendment to conference.

Mr. WILLIAMS. I appreciate the Senator's attitude. I certainly hope the committee will take the amendment to conference, because I know that in our State our farmers are very much concerned by the fact that for the last year or two the poultry industry has been more or less a losing proposition. The farmers are not complaining about that fact because they realize they overexpanded during World War II, and to that extent it is their own problem to cut back their production.

We are dealing with an industry which has never asked for or had any Government support. It is about the only phase of farming which has never asked for Government support.

In the meeting to which I have referred, which was attended by several hundred farmers, it was made clear that they were not asking for Government support, but they did ask that the Government stop financing certain individuals who use Government money for the purpose of recklessly expanding their production while at the same time bankrupting individual units. They said their only choice was to rent their broiler houses to someone who was getting Government money.

I believe that to be an unsound practice. The principle behind all legislation passed on the floor of the Senate has been to encourage and to assist in the establishment of single farm units. I believe that is what we should continue to do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 30, line 2, it is proposed to strike out "$100,000,000" and to insert in lieu thereof "$135,000,000."

The PRESIDING OFFICER (Mr. BARRETT in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois on behalf of himself and the Senator from Minnesota [Mr. HUMPHREY], the Senator from Iowa [Mr. GILLETTE], the Senator from Oregon [Mr. MORSE], and the Senator from Montana [Mr. MURRAY].

Mr. DOUGLAS. Mr. President, the amendment would increase new loan authorizations for the REA program by $35 million, making a total of $135 million, which is precisely the amount authorized last year.

The National Rural Electric Cooperative Association made a survey which showed that $249 million in new funds would be required to fulfill applications planned to be submitted and clean up $100 million of a $167 million backlog of applications.

Mr. President, I ask unanimous consent to insert at this point a letter from Mr. Clay Cochran, economist for the National Rural Electric Cooperative Association, to the chairman of the Agricultural Appropriations Subcommittee, Senator YOUNG, which appears at pages 1073–1074 of the Senate hearings.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION,
Washington, D. C., April 30, 1954.

Hon. MILTON R. YOUNG,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR YOUNG: At the hearing April 28, Senator ELLENDER asked that we break our request for REA electric loan funds down into purposes for which funds were requested. This letter is in response to Senator ELLENDER's request.

You will recall that we arrived at our request to your committee as follows:

REA backlog of electric loan applications Jan. 1, 1954	$167,000,000
Less estimated backlog at end of fiscal 1955	67,000,000
Balance to be loaned	100,000,000
Applications for electric loans by rural electric systems between Jan. 1, 1954, and June 30, 1955	221,000,000
Total electric loan funds required	321,000,000
Less electric loan funds available to REA, Jan. 1, 1954 (plus REA's estimated $5 million rescissions of old loans)	122,000,000
New electric loan funds required	199,000,000
Plus funds to get around formula in the act and unforeseeable contingencies	50,000,000
Total new authorization requested by NRECA	249,000,000

Of the $221 million in new electric loan applications planned by the systems, the breakdown is as follows:

Purpose	Percent of total	Amount (millions)
(a) New distribution lines and connections	27	$60.0
(b) Heavying up present distribution lines and connections	24	52.5
(c) Transmission (33 kilovolts and larger)	10	19.8
(d) Generation	31	69.9
(e) Buildings	3	7.2
(f) Sec. 5 loans for consumer financing	1	2.4
(g) Other	4	9.1
Total	100	[1] 220.9

[1] Does not add to $221 million due to rounding.

We were also requested to submit a breakdown of planned electric loan applications by region. This information is set forth below:

	Amount of applications planned
Region I—Delaware, Maine, Maryland, New Hampshire, New Jersey, New York, Pennsylvania, North Carolina, Vermont, Virginia	$14,800,000
Region II—Florida, Georgia, South Carolina	15,800,000
Region III—Alabama, Kentucky, Mississippi, Tennessee	17,500,000
Region IV—Indiana, Michigan, Ohio, West Virginia	8,000,000
Region V—Illinois, Iowa, Wisconsin	42,200,000
Region VI—Minnesota, North Dakota, South Dakota	15,500,000
Region VII—Colorado, Kansas, Nebraska, Wyoming	$25,700,000
Region VIII—Arkansas, Louisiana, Missouri, Oklahoma	29,900,000
Region IX—Alaska, California, Idaho, Montana, Oregon, Utah, Washington	31,300,000
Region X—Arizona, New Mexico, Texas	19,900,000

NOTE.—Regional totals do not add to $221 million due to rounding.

Sincerely,

CLAY L. COCHRAN,
Economist.

Mr. DOUGLAS. This letter relates plans for new applications by rural electric coops to backlog and shows that $249 million in new funds are actually needed. This takes into account expected applications for fiscal 1955 of $221 million, the leaving of a $67 million backlog at the end of fiscal 1955, and making available uncommitted carryovers.

In the face of this need of $249 million in new authorizations, the budget request was only $55 million. The House and Senate committees increased this amount to $100 million, but, despite this increase, the totals available would still be $35 million less than was authorized last year and only 40 percent of the total amounts needed.

I may say that in the past the estimates of the Rural Cooperative Association have proved to be conservative. The Association obtains its information from its various State cooperatives. That information consists of the amount of money which the cooperatives are planning to request.

I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks a statistical table which shows the comparisons between the amounts which the co-ops have estimated would be asked for and the amounts which actually have been asked for. These figures indicate that in general the estimates of the rural cooperatives have been conservative and have actually understated the amounts which were later requested.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Applications estimated by the National Rural Electric Cooperative Association annual survey compared with application actually received by the REA—selected years

Period Jan. 1, 1949, through June 30, 1950:	
Applications which the rural electrics expect to make [1]	$368,227,400
Actual applications received at REA	563,539,395
Period Jan. 1, 1950, through June 30, 1951:	
Applications which the rural electrics expect to make [1]	284,840,738
Actual applications received at REA	379,227,201
Period Jan. 1, 1951, through June 30, 1952:	
Applications which the rural electrics expect to make [1]	193,938,639
Actual applications received at REA	232,158,835
Period Jan. 1, 1952, through June 30, 1953:	
Applications which the rural electrics expect to make [1]	$153,401,468
Actual applications received at REA	314,108,286
Period Jan. 1, 1953, through June 30, 1954:	
Applications which the rural electrics expect to make [1]	194,534,247
Actual applications received at REA	[2] 209,499,854
Period Jan. 1, 1954, through June 30, 1955:	
Applications which the rural electrics expect to make [1]	221,000,000
Actual applications received at REA for this period are obviously not available at at this time.	

[1] According to National Rural Electric Cooperative Association annual survey.

[2] Through Apr. 2, 1954, only—3 months of period yet to go.

Source: Rural Electrification Magazine, May 1954, p. 3.

Mr. DOUGLAS. The evidence it quite clear that there is a large volume of requests for loans which will come in and which the present authorization, together with such carryovers as are now available, will not fill. Unless we increase the amounts, the total of $321,000,000 needed will be replaced by the total amounts available under the pending bill of only $192,919,203, broken down as follows:

Loan authorization	$100,000,000
Contingency authorization	35,000,000
Carryover from 1954	49,919,203
Rescissions of prior year loans	8,000,000
Total funds	192,919,203

I try to be guarded in my statements both on and off the floor of the Senate, and I do not wish to make unjust charges, but I should like to point out that there has been a steady contraction of the REA program during the past 2 years. On page 866 of the Senate hearings on the bill it is disclosed that the total amounts available for fiscal 1953—and these amounts were authorized in 1952 during the preceding administration—were approximately $245 million. For the current fiscal year, 1954—and that amount was appropriated last year under the present administration—a total amount of approximately $221 million was made available. The figures show a reduction of $24 million for fiscal year 1954, as compared with the preceding fiscal year. If we turn to the committee report for the amounts available under the pending appropriation bill, we note that the committee states that $193 million will be available.

Mr. WILEY. From what page is the Senator from Illinois reading?

Mr. DOUGLAS. The prior year figures were from page 866 of the hearings. Page 15 of the committee report gives the figure for fiscal 1955. The committee figure of $193 million is a reduction of $28 million below the amount provided last year and that, in turn, was a reduction of $24 million from the preceding year. Therefore, in the coming

[1] Footnotes at end of table.

fiscal year the amount would be $52 million less than 2 years ago.

That indicates what is going on. It is my impression that the present administration of REA is not very enthusiastic about the program which it is being called upon to administer.

ADMINISTRATION CUTBACKS IN REA PROGRAM

The Bureau of the Budget submitted still lower figures and asked for new authorizations of only $55 million, which would have made the total available, with carryovers, of only about $148 million. Had the administration's recommendations been followed, we would have seen a decrease of $97 million, or a cut of nearly 40 percent below the amounts made available in the last year of the previous administration.

We all want to cut down on needless expenses. But these REA loans are repaid with interest. They are one of the best investments we can make. At the very least, we can authorize the same amounts which were made available last year, and increase the authorization by $35 million, which would be the effect of our amendment.

I know it will be stated that the reduction is justified by the fact that electricity has already been carried to all but 8 or 9 percent of the farms in the United States, and therefore the need for new lines is diminishing; hence the need for the suggested appropriations.

INCREASING DEMAND FOR ELECTRIC POWER ON THE FARMS

It does not seem to me that such an argument takes into account two facts. The first fact is that there is a large increase in the amount of power being used on each farm. As electricity is becoming more and more popular, additional uses are being developed. Whereas originally perhaps electricity was used merely for the lighting of the house and the barn, it is now being used for electric refrigerators, electric stoves, washing machines, mangles, ironers, dryers, water pumps, milking machines, cooling of milk, and a variety of other purposes. In fact, in one county of my State they are beginning to heat houses with electricity. The result is a great increase in the powerload, and the existing distribution lines constructed when the load was small are proving inadequate to carry the increased demands for power.

Therefore, there is great need for stronger lines and the boosting of existing lines so that the additional demands can be met. This will require additional loans. Every year the electric co-ops are selling more and more electricity. In fact their loads are doubling about every 4 years. This increasing demand for power, of course, means that there will have to be considerable construction done to heavy up lines and increase capacity to handle the ever-increasing loads. As the years progress, the co-ops will probably require more and more load funds for this purpose. Also it costs approximately 92 percent more to build a mile of electric line than it did in 1940.

REA'S NEED AUTHORIZATION FOR BETTER BARGAINING POSITION

There is a second factor, Mr. President, namely, that as the contracts with the private power companies expire, the question of external sources of generation must be faced, with possible increase in wholesale rates which will have to be paid to buy power from private companies. Since REA Co-ops purchase 51 percent of their power from private companies, they must have—but are not getting—authority and funds to generate their own supply if the utilities should not expand to meet the requirements. If such authority is lacking they will be put in a price squeeze by their utilities suppliers. If they do not have the authority to build their own generators, the private utilities will have them over a barrel in negotiations for fair prices.

Therefore, even though the REA cooperatives do not actually construct generating stations and do not actually build heavy trunk transmission lines, the possibility that they can develop such lines gives them, in dealing with the private power companies, a bargaining weapon which enables them to get a lower wholesale power rate than would otherwise be the case. So, Mr. President, it seems to me we need to continue our support of REA, both to enable the need for additional power to be met and also to provide the cooperatives with a bargaining weapon which they can use to get lower wholesale rates for power.

REA LOANS ARE SOUND INVESTMENTS

I do not think I need to remind this body, although perhaps it is not so well known in the country at large as it should be, that these funds are not appropriations of money. They are loans, and thus far virtually all of them have been repaid generally before the loans are due, and they are repaid with interest. As of December 31, 1952, the co-ops had repaid to REA $395,266,943, $52½ million of which were payments made in advance of the date they were due.

What I fear is that by steadily cutting down on the authorizations for REA, a ceiling will be placed upon the growth of the source and development of power for the farming regions of the country, and wholesale rates will rise because the farmers will not have alternative bargaining weapons. Interest rates will be greatly increased, and it is quite likely that agents of private utility companies will tell the cooperatives that they should sell out to the private companies. We may ultimately find, unless this trend is reversed, that the REA system in which we take such great pride has been swept away because of the prevention of growth and because, through increases in interest rates and in wholesale power rates, the costs have been vastly increased.

Therefore, Mr. President, I hope this amendment increasing the authorized loans by $35 million will be approved. I may say that this will restore the amount newly authorized to the same figure that was approved last year, namely, $135 million.

I have heard from certain eminent and public-spirited Senators the objection that even though we authorize these sums they will not be spent by the present administration.

Mr. President, I think it is about time we served notice upon the existing administration that the Congress of the United States believes in the rural electrification program, and that the Congress of the United States will not tolerate outside sabotage of the program.

It seems to me, therefore, that the approval of this added authorization would be a pretty clear notice to the officials of the Department of Agriculture and of the REA that we do not want them to drag their feet.

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. The distinguished Senator from Illinois is aware of the fact that we have told them that, and the Senator is also aware of the fact that $50 million is carried over.

Mr. DOUGLAS. I am quite well aware of that, but I think this will be a way of serving notice on them—

Mr. MAYBANK. I agree with the argument of the Senator, but some $50 million is carried over, and we asked them to dispense the loans which have been applied over a period of time.

Mr. DOUGLAS. Does the Senator agree with me that the REA administration has been dragging its feet in these matters?

Mr. MAYBANK. Yes, certainly.

Mr. DOUGLAS. Within the past year and a half?

Mr. MAYBANK. It might be a year and 7 months.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. As I understand, the REA Administrator recently announced that he intends to loan between $150 million and $165 million this year, and, as I gather, the carryover, as well as the loan authorization and the contingent authorization, amount to the sum total of $192,919,203. Is that correct?

Mr. DOUGLAS. That is correct; but the REA national cooperatives estimate that for the coming year as a whole $249 million of new funds will be needed in order to take care of a part of the backlog and also new applications planned to be submitted. New applications are expected to be $221 million.

Mr. HUMPHREY. There is a need of $249 million of new funds. Is it not correct to say that the aggregate total of these applications exceeds the loan authorization ability of the REA, even under the action of the Senate committee?

Mr. DOUGLAS. Oh, yes. If we take the applications pending on April 1 and the applications which the REA cooperatives believe will be made during the coming year, a total of $321 million will be needed.

Mr. HUMPHREY. The National Rural Electrification Cooperatives legislative committee has made some recommendations in this area to the committees of Congress and to the membership of the cooperative association. Is it not true that that committee presented evidence to the effect that the REA borrowers planned to make applications for a total of approximately $220 million or $221 million during the period of January 1, 1954, to June 30, 1955. Is not that the figure that would be suggested as the

result of the survey of the REA at the present time?

Mr. DOUGLAS. The Senator is correct. The general statement is on pages 1073 and 1074 of the Senate committee hearings on the bill.

Mr. HUMPHREY. There is also a backlog of applications amounting to $167 million.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. And the testimony indicated that these applications for loans would require approximately a year for processing. In other words, there seems to be some delay in the processing of loan authorizations.

Mr. DOUGLAS. That is correct. While I do not know that it can be proved, there is a general feeling that the lag has increased in the past 16 months, and this is notably the case in the telephone program, in connection with which the applicants are whipped from pillar to post and compelled to go through all kinds of redtape, and then to resubmit their applications from time to time.

Mr. HUMPHREY. It is true also, is it not, that regardless of the amount which Congress may authorize in this area, it is all repayable with interest?

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. It is not as if we were digging a ditch or as if we were going to hire additional personnel requiring additional expenditure. What it amounts to is to have in the bank, so to speak, available funds so that there can be no log-jam in terms of applications and the proper authorization of the applications within the amount of money authorized by the Congress.

Mr. DOUGLAS. The Senator from Minnesota is completely correct. What is developing everywhere is a greater need for additional power on the farm, both to help the housewife in the kitchen, and also to help the farmer in the fields and in the barns.

Mr. HUMPHREY. Mr. President, will the Senator yield further on that point?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. In studying some of the REA cooperatives in my own State of Minnesota, I found that in the past 5 years the number of kilowatt hours of electrical energy used on the farm has, in many instances, doubled. As against a yearly average of, let us say, between 200 and 220 kilowatt hours in 1946 or 1947, the average now, in many instances, runs as high as from 475 to 525 kilowatt hours.

Mr. DOUGLAS. That is quite correct.

Mr. HUMPHREY. I had the pleasure of meeting in my office this morning Mr. Irving Clinton, manager of the Meeker County Rural Electric Cooperative Association, Litchfield, Minn., one of the finest rural electric cooperatives in our State. Mr. Clinton is an excellent manager. He entered the REA managerial field in 1935, even before the program was authorized by statute. A sum of money was set aside at that time by President Roosevelt under the emergency provisions, and the Meeker County Cooperative was one of the first REA cooperatives. In this particular instance, the number of kilowatt hours of electricity used has steadily increased.

Of course, the increased use of electricity requires heavier lines and newer equipment. It is due to this factor that many new applications are being attracted at the present time.

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. This, in turn, tends to provide more efficient service.

Mr. DOUGLAS. I may say that whereas a great many people, in the beginning, wondered if electricity was productive or a luxury, now I think it is being demonstrated that it more than earns its way. In the first place, it saves time both for the farmer and his wife, and time is productive. The time of the farmer, which was formerly absorbed in doing chores around the barn, can now be released for the producing of cash crops in the field.

Moreover, anyone who has been around a modern dairy farm knows how impossible it would be to operate a modern dairy farm without electric milking machines and electric refrigeration of milk.

The chicken industry has been under discussion in the last few minutes. How can there be modern hatcheries without electric power and heat, and electricity for the pumping of water?

Similarly, the use of electricity has, of course, kept roses in the cheeks of farm women.

Mr. HUMPHREY. And that, of course, is a very desirable accomplishment of any program.

Mr. President, would the Senator from Illinois yield for a further observation?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. One of the complaints which has been made in recent months, or perhaps I should say within the past 2 or 3 years, in reference to the REA concerns the overloading of lines and transformers because of the number of new plants or the increased use of the REA system on the farms.

Returning to the point under discussion a moment ago, while it is true that approximately 90 percent or more of the American farms are electrified today, many of them are electrified in the most elementary manner. Especially when one considers more diversified agriculture does he find an increasing demand for electrical energy. This has placed a great burden upon existing facilities. Unless the REA generation and distribution systems can be kept modern, to enable them to meet the increased demand for power, the possibility of their being able to remain solvent and to perform service is limited. Therefore, once having made the great investment which this country has made in the REA—and I do not mean the taxpayers in general; I mean the REA users themselves, who have made a great investment in the REA—to protect this industry, like any other industry or producer, it is necessary to keep the plant modern. The way to keep the plant modern is by making loans which can be paid off on a long-term basis at interest; and the loans are available only through the Rural Electrification Administration.

It is to that end, I suggest, that we ought to be directing our attention today. When we limit the available funds, we limit the possibility and the probability of the local REA cooperative to give, first, service which is required; second, to give it on a continuous basis, so that it satisfies the customer; and, third, to give it at a price which will provide for the amortization of the loan and will provide for solvency of the enterprise.

Mr. DOUGLAS. The Senator from Minnesota is completely correct.

Mr. MORSE. Mr. President, I desire to make a brief statement in support of the amendment offered by the Senator from Illinois. I had prepared an amendment identical in objective with that offered by the Senator from Illinois, except that my amendment called for a considerable increase in funds over the amount provided in his amendment. My amendment called for $135 million.

I have spoken with a good many REA representatives and cooperative representatives. They were asking for an amount which was beyond any possible realm of submission, as I told them, so far as adoption by the Senate was concerned. They feel that $249 million is the amount they require in order to meet immediately the needs of the REA throughout the country.

I had a conference with the supporters of the Douglas amendment, and it seemed to me that their position was a reasonable one from the standpoint of meeting with success when they asked for an amount equal to the appropriation figure of last year. Therefore I proposed an increase to $135 million.

In support of the amendment, I wish to say that today the farm families of the United States are in trouble. Their costs of production and of living have increased, while their incomes have decreased. The rural electrification program has been a factor in reducing farm production costs and easing the physical burdens of the farm family.

I was interested in the observation made by the Senator from Illinois [Mr. DOUGLAS] in regard to the amount of time which is now saved in the doing of chores through the electrification of farms, leaving a longer period of time for the farmer to produce cash crops in the field. During my youth, my parents operated a dairy farm in Wisconsin. We milked from 25 to 35 cows, night and morning, and we milked them by hand, separating the cream with a hand separator. We churned the butter with a hand churn, and packed it and sold it on a butter route each Saturday.

Recently I returned to Wisconsin and visited the dairy farm now operated by my brother. The farm now has an electric separator and electric milkers. I said to him, good naturedly, "It is almost a luxury to work in this barn, in contrast to what you and I did for so long a time years ago, when we milked by the light of a kerosene lantern, night and morning, most of the year, and did all the work by hand."

The Senator from Illinois is quite correct in pointing out what the electrification of farms has done, not only in relieving farm families from the drudgery of the chores, but also in saving time, so that farmers can use their time for greater production on the farm.

In this time of distress, the REA program should be pursued aggressively.

The President's budget recommendations for fiscal 1955 do the reverse in the same manner that the administration's proposed appropriations for the fiscal year now coming to a close were inadequate a year ago.

For fiscal 1954 the administration requested $95 million in new electric loan funds which, with an expected carryover of $25 million resulting from the slowdown in the loan program last spring, would have allowed a total loan program this year of $120 million. Congress increased the amount of funds authorized to $180 million, including a $45 million loanable contingency fund. By rescissions of old loans, REA was in a position to make available a total of $225 million for fiscal 1954.

The Administrator pursued a policy for the greater part of this year geared to a total loan program of $135 million. Public criticism was undoubtedly a fact in the recent announcement that $150 to $165 million may be lent this year. Even these inadequate programs would not have been possible under the budget proposals of the administration. The Eisenhower budget proposal last year was inadequate upon the basis of pending and expected applications. Experience has proven it to have been far too low.

As the Members of the Senate know, REA loans are not in the nature of current expenditures. The money is not only repaid on time, but the rural electric co-ops have a magnificent record of repaying in advance of the time repayment becomes due.

The President's budget recommendations for the REA program for the coming year was again inadequate. It was based upon an expected carryover of $45 million from this year, plus $55 million in new electric loan funds, plus an estimated $5 million from recissions of old, unused loans, for a total of $105 million. Because of the late decision of the REA Administrator to make more loan funds available this year, the carryover of regular funds will be $15 to $30 million under the $45 million contemplated by the President's budget. As a result, the total loan funds available for fiscal 1955 under the budget recommendations would be $75 to $90 million. If contingency funds are drawn down to meet a $165 million program, the carryover would be increased. At this time there is no way of knowing by how much.

I am advised by REA that as of April 6, there was a nationwide total of 201 loan applications, totaling $160,689,000 pending. Three applications totaling $1,268,000 from my State were also on file.

If the REA does proceed with a stepped-up program this year and lends $165 million, it is estimated that at the end of this fiscal year there will be on hand $126 million unsatisfied loan applications. That is a significant figure, and it is the kind of figure that has caused such consternation within the ranks of co-ops within the REA. I want to repeat the statement. If the REA does proceed with a stepped-up program this year and lends $165 million, it is estimated that at the end of this fiscal year there will be on hand $126 million unsatisfied loan applications; and all the power asked for in these loan applications is needed by the farmers. Quite clearly the appropriation recommended by the administration for the 1955 fiscal year would be insufficient to meet the needs of applications on file at the close of this year, let alone new applications.

As the Senate knows, each State can receive in regular loans in any one year an amount that is proportionate to the State's percentage of unelectrified farms as compared with the national average. My State at the end of fiscal 1953, the last year for which figures are available, was the third highest in percentage of electrified farms, so that its proportionate share is comparatively low. Despite this fact, there is a continuing need in Oregon for funds to expand and heavy up electric co-op systems.

A great deal of work on the lines is required to enable them to carry the additional amounts of power to supply the need and demand for further electrical improvements on the farms. There is a need of having the lines heavy enough to get the power to farm areas where it is needed.

The nationwide needs of the electric co-ops remain great. In fact, the power policies of the administration have created greater burdens on co-ops. The administration program of no new starts on multipurpose dams has created pressure upon generating and transmission co-ops—known as G. and T. co-ops—to provide and augment power supplies. Administration curtailment of transmission lines has created new needs for co-ops to meet their needs in other ways.

The National Rural Electric Cooperative Association has polled its members on loan applications they expect to file this coming year. The NRECA has urged new loan funds of $254 million on the basis of the replies of its membership. That sum would enable the reduction of backlog by $100 million, and would insure that the 10 percent limitation would not prevent the granting of needed loans in heavy-demand areas.

The House bill raised the REA loan fund appropriation to $100 million, plus a $35 million contingency fund. This was a substantial improvement over the President's recommendations. The Senate Appropriations Committee made no change in the House bill in this respect. The amounts approved by the House will not be sufficient.

In view of the proven inadequacy of the Eisenhower administration's budget proposal for the current fiscal year, and the demonstrable inadequacy of its recommendations for next year, I urge the Senate to provide substantially greater loan funds for REA loans than proposed by the administration and provided for in the bill as it passed the House.

I would that the amendment of the Senator from Illinois provided for at least $175 million because in conference there would be some hope of raising the final figure to somewhere near the amount which was appropriated last year. But the Senator from Illinois has proposed an appropriation of $135 million, and I shall vote for it, hoping that the amendment will be agreed to, and that the Senate conferees will hold out for that minimum figure in conference, so that at least the amount appropriated this year will be the same as that which was appropriated last year.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from North Dakota.

Mr. LANGER. Is it not true that in the Southwestern Power Administration area there are still 3 million farmers who are not under REA?

Mr. MORSE. Oh, yes; there are many areas in the country which are still not under REA. I have spoken about the very fortunate situation in the State of Oregon, which is the third highest in percentage of electrified farms, although people of my State need much more power on their farms than they are able to get over present REA transmission lines. The Senator from North Dakota is quite correct. There are many areas where the farmers are not so fortunately situated as are the farmers of my State. They need to have the power made available to them, in the first place. I would much prefer to appropriate more than is being suggested, but at least let us do as well by the farmers as we did last year. As was brought out by the Senator from Minnesota and the Senator from Illinois, if the problem is one which affects the attitude of the Department of Agriculture toward the REA if it is a question of the administration's squeezing out the REA by not appropriating the necessary money to firm up transmission lines, which will result in the farmers having to get their power from private utility companies, let us find it out; but let us not try to solve that problem by not providing as much as last year's appropriation.

Mr. LANGER. As was brought out by the testimony in the hearings, while there is talk about the administration's being against a Federal monopoly of power, is it not true that the Federal Government produces only 18 percent of the total power production in this country, and it is utter nonsense to talk about Federal monopoly of power?

Mr. MORSE. Yes. The private utilities still own an overwhelming percentage of the power facilities of the Nation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a letter dated May 27, 1954, written to the Administrator of REA and signed by Gus Norwood, executive secretary of the Northwest Public Power Association, which reinforces the argument I have made this afternoon as to the need of additional funds by REA so that they can firm up, heavy up, their powerlines.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTHWEST PUBLIC POWER ASSOCIATION,
Vancouver, Wash., May 27, 1954.

Mr. ANCHER NELSEN,
Administrator, Rural Electrification Administration,
Washington, D. C.

DEAR ANCHER: The REA news release of May 21 relative to future load growth of REA borrower systems constitutes one of the greatest mistakes which I have seen made by the Rural Electrification Administration. The estimate that power needs of the REA

borrower will "nearly double by 1963" is just about the understatement of the year. If the future policies of the Rural Electrification Administration are premised on this ridiculously low rate of growth, then this whole program is headed for serious trouble.

My purpose in writing you is, of course, to urge an immediate withdrawal of this news release and secondly, the making of an adequate study of the problem.

Now let me outline some indicators which cause us in the Pacific Northwest to view these estimates with alarm.

In the past 5 years the electric loads of REA borrowers have increased from 3.3 billion kilowatt hours in 1947 to 11.4 billion in 1952 or more than triple in these 5 years. During the past 10 years the increase has been tenfold. Yet for the next 10 years your news release can only predict that the load will "almost double."

Perhaps someone will claim that the program is leveling off. We know that and are allowing for it. Here is a case in point. In 1948 the Lincoln Electric Cooperative at Davenport, Wash., had 895 rural and residential consumers using an average of 7,436 kilowatt-hours or a total of 6,655,646 kilowatt-hours. In 1952 the 1,010 consumers averaged 10,306 kilowatt-hours or a total of 10,409,306 kilowatt-hours. This is an example of a mature or leveling-off cooperative. Yet in 4 years they had a 50 percent load growth. Just their additional use per consumer has jumped from 7,436 to 10,306 or 2,870 kilowatt-hours in 4 years. The increase alone is more than the total average power use for residential purposes in the Nation.

The 33d annual report of FPC for June 30, 1953, states on pages 61, 62, and 64:

	Peak load (million kilowatts)	Energy (billion kilowatt-hours)
1950	64.3	329
1953	83.6	443
1960 estimate	130.0	660
1975 estimate	365.0	1,860

A long-range idea of trends is shown in the load growth for the Nation from 37.2 billion kilowatt-hours in 1921 to 370.2 in 1951, a tenfold jump in 30 years.

The Paley Commission Report anticipates a load increase of 350 percent from 1950 to 1975. The FPC estimate of load increase from 1953 to 1975 is 320 percent yet REA in dealing with a more dynamic sector of the economy visualizes only a 200 percent load growth in the next 22 years from 1953 to 1975.

Prophecy, we all know, is hazardous and we have the right to be conservative in making estimates for the future. But a conservative approach from the viewpoint of an electric consumer is one which insures an adequate supply of power for all purposes and a reasonable reserve. A scarcity policy of too little and too late is not conservative from the standpoint of the public interest.

The load growth for REA borrowers in the State of Washington is estimated by REA to be only 18.6 percent over the next 10 years. We have had regionwide peak load growth of 21.2 percent in 1941, 14.2 percent in 1942, 20.9 percent in 1943–44, 18.2 percent in 1946–47, 14.3 percent in 1947–48, 11.6 percent in 1948–49, 14.5 percent in 1949–50, and 10.7 percent in 1950–51 and we are now in a period when many new generators are being installed. We have had annual regionwide load growth greater than the 18.6 percent from 338.7 million kilowatt-hours in 1953 to 402.0 in 1963 which your load estimator allowed for the State of Washington for a whole decade.

I very much hope for the sake of the whole REA program that this mess can be cleaned up. Obviously these low estimates are not a reasonable premise on which to plan the future of REA.

Best personal regards.

Sincerely,

NORTHWEST PUBLIC POWER ASSOCIATION,
GUS NORWOOD,
Executive Secretary.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Oregon has made the point of the need for firming or heavying up the power lines. Is it not fair to say that unless the REA cooperatives can keep their plants, distribution systems, and generating systems in such condition that they can handle the increased demand, the whole structure of REA in an area may be jeopardized? In other words, the costs for power, supplies, and personnel will be increased so that the REA cooperatives will not be able to hold down the price to the consumer and at the same time liquidate their loans and pay the interest on them and have modern, up-to-date plants which can meet the load requirements of an expanding farm economy. Is that not correct?

Mr. MORSE. The Senator is absolutely correct, and has set forth one of the main objectives of my argument this afternoon.

Mr. HUMPHREY. The distinguished chairman of the subcommittee who handled the appropriation is present on the floor of the Senate at this time, and I should like, through the Senator from Oregon, to invite his attention to this matter.

I wonder whether the Senator from Oregon has considered the fact that recently mention has been made of the possibility of having constructed an atomic-energy pilot plant for the generation of REA power. In the committee report I did not notice any statement as to whether REA funds for loans, as well as the funds for administrative and technical services, could be used for the construction of an atomic-energy pilot plant for such a purpose. In some of the publications of the REA's, I have read that possibly a plant using atomic energy, for the purpose of generating heat and thus creating the necessary electric power, would be feasible.

Therefore, Mr. President, if the Senator from Oregon will permit me to do so, I should like to ask unanimous consent, without causing him to lose his right to the floor, to seek an answer to that question from the chairman of the subcommittee, the distinguished Senator from North Dakota [Mr. YOUNG].

Mr. MORSE. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, I now ask the question of the Senator from North Dakota: Is there, so far as he knows, any provision of law to prevent a rural electric cooperative from seeking, through the appropriate agency of the Government—in this instance, the Atomic Energy Commission—to obtain assistance for the development of a pilot plant using atomic energy, for the creation of electrical power?

Mr. YOUNG. My opinion is that it would be doubtful whether the REA would have authority to loan money for an experiment of that kind; but the Atomic Energy Commission certainly has funds it could use for that purpose. It would be my hope that the Atomic Energy Commission would give serious consideration to the development of a pilot plant, in order to ascertain what could be done by way of the generation of power for such purpose from atomic materials.

Mr. HUMPHREY. I appreciate the Senator's comment, because I am afraid that in this case we may become involved in the proverbial Government redtape. I can understand that the Atomic Energy Commission might agree to license a rural electric cooperative to build an atomic reactor plant for the purpose of developing electric energy. In short, in such case the Commission would agree to give help, by means of its technicians and scientists, in the development of such a plant. However, would it be possible for such a cooperative to obtain loans for that purpose from the funds appropriated in this measure? I think this is a very important point with which we must come to grips very soon.

Mr. YOUNG. I doubt that the Secretary of Agriculture or, in particular, the REA administrator would have such authority, although I have not checked very carefully the law on that point. Some work is now being done in that field, and I hope the Atomic Energy Commission will give serious consideration to this suggestion.

In this connection, I now read from page 15 of the committee's report:

> The committee feels that the amount recommended for salaries and expenses should be used by the Rural Electrification Administration to the extent necessary to provide adequate funds to handle new problems and developments in both the electrification and telephone programs, including the additional workload occasioned by the increased loan authorizations, and the giving of appropriate attention to the possibility of utilization of atomic energy for electric power generation in rural areas.

Mr. HUMPHREY. However, that language applies, as I understand, to the item of salaries and expenses; in short, it applies primarily to technical services.

Mr. YOUNG. That is correct.

Mr. HUMPHREY. I believe we would do well, this afternoon, to give careful thought to this matter, and possibly to write into the bill at this point clarifying language in order to expedite the making of progress in the use of atomic energy for the purpose of the generation of electrical energy. Would it not be possible, either in the report or in the bill itself, to insert language to the effect that nothing in this act shall prohibit the making of loans, by means of the use of the funds appropriated in this bill, or the authorization of the granting of loans, for the purpose of the development of an atomic-energy plant for the generation of electrical energy?

I believe we must seriously consider this matter, because within the next year the REA's will be making such requests of the agencies in Washington. One of the largest REA's in the entire Midwest, which has a service-distribution system in my State and in adjoining areas, has asked me whether a pilot plant for the generation of electrical energy, by means of the use of atomic materials, could be established in that area. The officials of that group have said to me, "We would have to obtain permission from the Government, of course, because all rights pertaining to the use of atomic energy are now in the hands of the Government, and no one can enter that business without obtaining permission from the Government." However, Mr. President, once the Atomic Energy Commission has authorized such an activity and has extended the assistance of its scientists and engineers, then the question will be, Where will the funds with which to construct the plant be obtained?

My question is this: Under the provisions of this appropriation bill, should we not make it crystal clear that if the national REA or if a local REA cooperative were to obtain from the Atomic Energy Commission permission and its cooperation for the construction of a pilot plant of that sort, the rural electric cooperative where the pilot plant would be located could obtain from the REA a loan of funds for that purpose.

I hope the Senator from North Dakota will take this matter under advisement, and will give his leadership to it on the floor of the Senate. In that way I believe we would be making history, for there is no question that atomic energy is here to stay; and from the point of view of making use of atomic energy for peaceful purposes, I believe this is the place to begin in that endeavor.

So, Mr. President, if the Senator from North Dakota will accept such an amendment and will agree to take it to conference, I shall be glad to work with him on it, during the remainder of the debate this afternoon.

Mr. YOUNG. Mr. President, on this matter I am in complete accord with the Senator from Minnesota. However, it seems to me that such an amendment would be subject to a point of order, as legislation on an appropriation bill; and thus I believe it doubtful that such an amendment could be adopted.

We believe that the Atomic Energy Commission should cooperate to the fullest possible extent with the REA, in order to carry out the purpose the Senator from Minnesota has stated.

Mr. HUMPHREY. In other words, do I correctly understand that it is the belief of the Senator from North Dakota that the Atomic Energy Commission should cooperate in every possible way with the REA, in looking to the construction of such a pilot plant? In this connection, I should like the Senator from North Dakota to take into consideration the very practical matter that, regardless of what authority the REA would have in connection with the use of its own funds, the question would remain whether a local rural cooperative would be able to borrow money for such purposes from the REA.

I wish to make it clear in the basic law that since we authorize the making of such loans for plants which use oil or coal to produce steam for the generation of electrical energy, it would be permissible for such loans to be made for the construction of a pilot plant for the generation of electricity by means of the use of atomic materials—in short, through the use of atomic energy.

Mr. MORSE. Mr. President, at this point let me interrupt, if I may. I shall yield again to the Senators; but before doing so, since I see that the Senator from Alabama is about to leave the Chamber, and inasmuch as I wish to obtain his help in connection with this matter, let me say that the sponsors of the amendment are very desirous of having a yea-and-nay vote ordered on the question of agreeing to the amendment, because this issue is of great importance to our respective States.

Therefore, I ask for the courtesy and cooperation of Senators in helping us obtain a yea-and-nay vote. I think there are a sufficient number of Senators present in the Chamber to order the yeas and nays, if they see fit to do so. I ask for the yeas and nays.

Mr. DOUGLAS. I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the Senator withhold his suggestion of the absence of a quorum?

Mr. MORSE. I do not yield for a quorum call.

The PRESIDING OFFICER. The yeas and nays have been requested. Is the request sufficiently seconded?

The yeas and nays were ordered.

Mr. DOUGLAS. I withdraw my suggestion of the absence of a quorum.

Mr. HUMPHREY. Mr. President——

Mr. MORSE. Mr. President, I now yield, under the same conditions, to the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Oregon. Rather than continue the discussion with the Senator from North Dakota [Mr. YOUNG], who has participated with me in a friendly debate on the floor of the Senate, I prefer to talk with him for just a moment in the rear of the Senate Chamber. Perhaps we can arrive at a meeting of minds.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from New York.

Mr. LEHMAN. When the cooperatives of New York were first energized, in 1944, I believe, consumption was about 75 kilowatt-hours a month. Since then consumption has increased about fourfold—from 75 kilowatt-hours a month to approximately 300 kilowatt-hours a month. That increase has been made in the face of the fact that the rate in New York is among the highest in any State in the Union. Its cost of electricity purchased by rural electric cooperatives is 1.12 cents a killowatt-hour, as compared to a cost of .32 cents in Washington and .38 cents a kilowatt-hour in Oregon.

The reason for the increase is that the use to which electricity is put by the cooperatives has been obviously greatly enlarged in the past 10 years. The greatly increased consumption and use of electricity on the farms has, of course, resulted in a need for strengthening the transmission lines to the farms and the electrical equipment on the farms, at very great expense. I am sure that the same condition prevails in every other State in the Union. I have no doubt that there has been approximately the same proportionate increase in consumption on farms in other States as there has been in New York.

So it is very clear that, in spite of the fact that so great a percentage of the area of each States has been energized, the need for loans and expenditures in order to finance the strengthening of the lines, in order to extend the possibility of making wider use of electrical current, not only will continue, but will increase. It has been shown this afternoon in the debate that the amount of loans requested and needed by the cooperatives in the various States of the Union far exceeds the amount now being made available in this bill. So I think if we are to carry on and extend this highly important work, a work which enhances the welfare, happiness, contentment, and prosperity, in the first place, of our farm population, and in the second place, of our general population, which is so dependent on the prosperity of the farm population, we certainly should, and I believe we must, make available larger sums than are proposed in the pending bill. Therefore I intend to support the amendment of the distinguished Senator from Illinois [Mr. DOUGLAS].

Mr. MORSE. We appreciate the support of the Senator from New York. In my judgment the argument he makes is unanswerable. Every point he brings out is factual. I think we have the duty of helping the REA's to heavy up their lines where they already have power, and we have the duty to take to farmers still living in darkness the electricity they need in order to reduce the burdens of farm life.

Mr. LANGER. Mr. President, I should like to find out, if I can, whether or not the amount which is proposed to be appropriated could be used for steam plants.

Mr. MORSE. The Senator from North Dakota asks whether the amount requested can be used for the development of steam power generating plants.

Mr. YOUNG. Yes. It could be used to make loans for steam plants.

Mr. LANGER. I wished to be certain.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I thank the Senator from Oregon. He was following the colloquy between the Senator from North Dakota [Mr. YOUNG] and myself as to the possibility of joint action between the REA and the Atomic Energy Commission for the establishment of one or more pilot plants.

At this point I invite the attention of Senators to the May 1954 issue of the publication known as Rural Electrifica-

tion Magazine, which is published in Washington, D. C. It contains an article beginning on page 13, entitled, "Transforming the Atom—Power for Rural Electric." I ask unanimous consent that the article be printed in full at this point in the colloquy between the Senator from Oregon and myself.

Mr. MORSE. Mr. President, I join in that request.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRANSFORMING THE ATOM—POWER FOR RURAL ELECTRICS

(By Robert Kabat)

The stakes in the development of nuclear power are tremendous. It is next to impossible to estimate the magnitude of the money involved—the Atomic Energy Commission alone has spent over $12 billion on the whole atomic-energy program.

There are many predictions of things to come in the field of nuclear power, and all indicate that the rural-electric systems must learn more about this program and participate more actively in it. Some of the predictions are that within 10 years 10 percent of the power generated will be nuclear power; that nuclear power could already be competitive in high fuel cost areas. Other predictions go so far as to say that within 10 years nuclear power will be competitive with hydropower.

FIVE-YEAR PROGRAM PLANNED

The AEC recently announced that it is embarking on a 5-year program to develop atomic reactors. This program is expected to cost $200 million, most of which will be paid by the Federal Government. In fact, it is stated in the congressional report on the 5-year program that "all cost estimates are conditional on annual congressional appropriations." Since the Federal Government is paying such a major share of these costs and has spent so much on the program in the past, it seems that the results of this development should be a part of the public domain, thereby benefiting all instead of just a few large private industrial companies and utilities.

The Joint Congressional Committee on Atomic Energy just concluded hearings on the 5-year reactor development program proposed by the AEC. The committee reported:

"The program outlined calls for financing primarily by the Government. Except for the pressurized water reactor, it consists of small, experimental reactors. All these units will produce technical and cost information which will make possible more accurate evaluation of the future of nuclear power. It is hoped that the new technology will encourage industry to take over an increasing share of the financing of further research and development and to consider with increasing favor the actual construction of pilot or full-scale powerplants."

"Private financing thus far has been only a small fraction of total reactor development costs."

"Economic evaluations by the Commission and its contractors show that the probability of producing electricity from nuclear fuel at a cost competitive with electricity from coal, oil, or gas is good. The estimates generally indicate that if the goal of economic nuclear power is pursued with vigor, costs can be brought down—in an established nuclear power industry—until the cost of electricity from nuclear fuel is about the same as the cost of electricity from conventional fuels, and this within a decade or two. This does not mean that such low-cost nuclear power will be obtained from the very first plants which might be built but that it may well come from succeeding plants which, as a result of experience with the first, it should be possible to construct and operate more economically."

Significantly, this statement points out that most of the financing has been furnished by the Federal Government and also that, except for the pressurized water reactor, the 5-year program calls for the construction of small reactors.

SYSTEMS FACE DUAL PROBLEM

The rural-electric systems face a dual problem in the field of nuclear power. One part of the problem concerns participation by the rural electric systems in the reactor development program and the other concerns proposed legislative changes in the Atomic Energy Act. Regarding the first part of the problem, it might be asked how the rural electric systems can actively engage in nuclear power development, perhaps even to the extent of having a nuclear powerplant constructed along the lines of a rural electric system. Or more immediately, how can the rural electrics participate in this 5-year program of reactor development proposed by the AEC? This article will deal only with these questions; the next article will deal with the problem of proposed legislative changes.

The second part of this dual problem faced by the rural electric systems is: Should the Atomic Energy Act be amended and if so, how? Are amendments needed to protect the interests of the rural electric systems? What provisions are in the present act which insure that the benefits of nuclear power development financed primarily with Federal funds become available to the rural electric systems? The private power companies want the act amended to provide for private patents on nuclear power developments and private ownership of nuclear plants and fissionable materials. At the same time they want the Federal Government to assume most of the financial risk involved.

Representative W. STERLING COLE of New York, on April 15, 1954, and Senator HICKENLOOPER of Iowa, on April 19, 1954, introduced respectively H. R. 8862 and S. 3323 to amend the Atomic Energy Act to further private development of nuclear power. The interest of the rural electric systems in this legislation is to make sure that it does not prevent them from sharing in the benefits of nuclear power research and development financed primarily with public funds. In a succeeding article these proposed legislative changes will be discussed.

The first part of the problem which will be discussed here requires action by REA, the Atomic Energy Commission, the rural electric systems, and the Congress while the second part of the problem depends on action taken by the Congress in amending the Atomic Energy Act. But in any case, the rural electric systems must attempt to learn more about this promising new source of power and also take a more active part in the nuclear power research and development programs.

G-T'S EXPRESS INTEREST

Actually, several of the generation and transmission systems have expressed an interest in this development. Also, at least one statewide has indicated it is willing to contribute to the cost of hiring a part-time consultant on nuclear power. Such a consultant would be cleared for access to classified AEC information. He would present the specialized needs of the rural electric systems to the AEC and also inform the member systems about nuclear power developments. But none of the rural electric or local public systems have taken an active part in this program as yet.

COMPANIES PARTICIPATE

Although the private power companies have not been willing to actually finance the construction of a nuclear powerplant, they have actively participated in AEC research and development. This participation has usually taken place as a member of a study team composed of industrial firms, engineering companies, and several operating private utilities. These teams usually have worked in AEC installations under contracts with the AEC, contracts mainly financed by the AEC. There are 12 such study teams, on which 35 power companies and the TVA are participating.

One of the largest teams is the Dow Chemical-Detroit Edison team. This team is composed of 5 chemical and manufacturing industries, 3 engineering and construction firms, and the following 23 private power companies: Atlantic City Electric Co., the Cincinnati Gas & Electric Co., the Cleveland Electric Illuminating Co., Consolidated Edison Co. of New York, Inc., Consolidated Gas Electric Light and Power Co. of Baltimore, Consumers Power Co., the Detroit Edison Co., Metropolitan Edison Co., Pennsylvania Electric Co., the Hartford Electric Light Co., New England Electric System, Niagara Mohawk Power Corp., Philadelphia Electric Co., Potomac Electric Power Co., Public Service Electric and Gas Co., Rochester Gas and Electric Corp., the Southern Co., Alabama Power Co., Georgia Power Co., Gulf Power Co., Mississippi Power Co., the Toledo Edison Co., and Wisconsin Electric Power Co.

ORGANIZED IN 1951

This team, whose power company members have boasted of assets totaling $8.3 billion—approximately three times the total investment of all the rural electric systems—was organized in 1951. The AEC announced on April 16, 1954, that it has approved a proposal of this team "to begin a new phase of nuclear power investigations involving actual experiments and preliminary engineering * * * on a breeder reactor for the generation of electric power and other products * * *." This group of industrial giants plans to spend $2,300,000 on the project. The AEC will bear the expense of any part of the project which is of direct interest to the AEC and forms part of its approved program.

These utilities have faith in nuclear power and are making sure that their companies are informed about and receive the benefits of such development. But there is not one rural electric or local publicly owned system tcam working with the AEC on nuclear power development, not even one on a part-time basis. This statement is made with the full realization that the rural electric systems cannot hope to compete with the tremendous financial and personnel resources of these private companies. Nevertheless, they should safeguard their interests in this vital new source of energy with all the resources at their command.

On the next page there is a table showing the projects included in the 5-year power reactor development program proposed by the AEC and some of the characteristics of each project.

Probably the most interesting of the reactors listed in the table is the boiling-water reactor. This reactor would generate steam which would be fed directly to the turbines. It would eliminate the need for a heat exchanger outside the reactor and permit appreciable reduction in pumping power, which should lead to lower capital costs. This is typical of the progress being made which should result in lower and lower capital costs. Since the fuel is now lower in cost than conventional fuel (approximately 1 mill per kilowatt-hour as compared with an average of 3.4 mills per kilowatt-hour for steam generation), while the capital costs are considerably higher than conventional plants, any reduction in capital costs is extremely important.

In addition to this 5-year program, the AEC is now considering bids for the con-

struction of a 1,000 kilowatt package reactor for the Army. This unit apparently will be mobile and is being constructed so it can be disassembled for shipment. It has been reported that the cost of this unit will be somewhat less than $3 million. Of course, these capital costs are not competitive, but if the day arrives when small units can be constructed and operated competitively, the rural electric systems may be able to have independent power sources.

Project	Estimated cost	Estimated completion date	Kilowatt capacity	To be constructed by—	Part of reactor cost to be paid by contractor
	Millions				
Pressurized water reactor	$85	1957	Minimum 60,000	Westinghouse & Duquesne Light Co., Pittsburgh.	$5,000,000
Boiling water reactor	17	1956	5,000	Not determined	
Sodium graphite reactor	10	1955	20,000 kilowatts of heat, will not be equipped for generating electricity.	North American Aviation	2,500,000
Homogeneous thorium reactor [1]	47	1958–59	16,000	Not determined	
Experimental breeder reactor	40	1958	170–15,000	do	

[1] This is to be preceded by homogeneous reactor experiment No. 2 (HRE No. 2) with a heat output of approximately 3,000 kilowatts and to be completed in 1956.

PROGRAM OFFERS PROMISE

This 5-year program offers real promise for the rural electric systems. The size of the reactors which the AEC is planning to develop vary from a few kilowatts to 60,000 kilowatts or over. Since the rural electric systems usually require small units, it probably would be possible to satisfy some of their generating needs from this. It is also significant that of the two units which have already been awarded to private companies to construct, these companies are going to pay only a small part of the total estimated cost of the reactor. This cost pattern is typical of the amounts the private companies want to contribute to this development.

In fact, last summer in the hearings before the Joint Congressional Committee on Atomic Energy, witness after witness was asked if their company was prepared to come forward with definite financial plans for nuclear power development. Almost to a man they replied they were not prepared to offer such financial plans.

Typical of their replies is the following statement of Mr. Willis Gale, chairman of the board of Commonwealth Edison Co.: "As a regulated public utility, we are in no position to lose money on a venture into the uncertain field of atomic power. Any such loss would be borne by our stockholders who have nothing to gain financially if the venture were a success. We cannot, therefore, speculate in big figures on such a venture." Mr. W. L. Davidson, Director, Office of Industrial Development, Atomic Energy Commission, stated at the hearing: "It is exceedingly doubtful that any industrial group would be willing to underwrite the early construction of a nuclear power reactor, even assuming a revision of the act." (The revision of the Atomic Energy Act to permit private patents, private ownership of fissionable materials, etc.)

In other words, these utilities want the Government to assume the risk in developing atomic power, but they want to reap the benefits.

PILOT PLANT PARTNERSHIP

It is possible that the AEC could build one of these pilot plants on a partnership basis with REA and the rural electric systems. REA could make a loan to a system for a conventional generating plant where needed. The AEC would then pay the difference between this cost and the total cost of the atomic power plant. The AEC could certainly justify this as a contribution to the development of atomic power technology. Under such an arrangement the rural electric system may also be able to secure lower cost power than its present costs of generation because of the lower fuel costs.

But in order to do this REA would have to take an active interest in this development and also devote some of its personnel to the study of atomic power. REA has pioneered in many areas of rural electrification in order to make the benefits of central station electricity available to rural America at the lowest possible cost. One has only to remember their pioneering in the development of lower cost rural lines, meters with cyclometer registers, use of oil circuit reclosers and sectionalizers, etc. REA could also pioneer anew by actively trying to further the development of atomic power and actively working for an REA–AEC–rural electric system partnership to make benefits of this new source of power available to rural America.

REA could perhaps set up a small task force of REA personnel who could obtain security clearance so as to have access to classified AEC information. This task force would be able to observe the studies being carried out by the AEC and the private industry-private utility study groups. They would then be in a position to evaluate this information for the consideration of REA and the rural electric systems. This would be performing an invaluable service for the farmers' electric systems, a service they could not readily provide themselves.

The 15th semiannual report of the AEC covering the period July–December 1953 states that the Federal Power Commission and the Departments of Interior and Commerce have personnel cleared for access to nuclear power information and also to provide liaison with the AEC. Also, the TVA and Bonneville Power Administration have such people, either as full-time employees or part-time consultants.

COMMITTEE RECEIVES CLEARANCE

Also, this same AEC report mentions that the National Association of Railroad and Utilities Commissioners has a committee on nuclear power which has received security clearance. According to the report, this committee will undertake a study of "economic and legislative problems of nuclear power." Members of this committee are: C. L. Doherty, president of the association and member of the South Dakota Public Utilities Commission; Henry B. Strong, Connecticut Public Utilities Commission; Henry McKay Cary, Missouri Public Service Commission; John H. McCarthy, Michigan Public Service Commission; George P. Steinmetz, chief engineer, Wisconsin Public Service Commission; and Charles W. Mors, general division engineer, California Public Utilities Commission, who is serving as secretary of the committee.

Therefore, there is a precedent for public groups to participate in AEC research and development of nuclear power. REA Administrator Ancher Nelsen has expressed an interest in such REA participation either through its own staff or the services of a consultant. All the rural electric systems will welcome the foresight displayed by REA in taking such a step. Once again REA will pioneer in the development of rural electrification.

Probably the REA Administrator would desire some directions from the House and Senate Appropriations Agriculture Subcommittees in order to use REA funds for exploring nuclear power developments, and also to consider the possibility of making a loan for such a plant along the lines of a rural electric system. Members of these two committees have expressed an interest in actually locating a pilot plant along the lines of a rural electric system. Representative H. CARL ANDERSEN, of Minnesota, the chairman of the House subcommittee, recently expressed such an interest to a manager of one of the g-t systems. Also, Senator YOUNG, of North Dakota, the chairman of the Senate subcommittee, expressed a similar interest. So did Senator MUNDT, of South Dakota. Senator MUNDT stated in a recent newspaper release that the location of a plant along the lines of a rural electric system would depend on the following factors:

1. "Comparative data on total and potential power needs and also data on need for firm power to support available secondary hydroelectric power."

2. "The cost factors in producing power at the present time. (Indications are a high-cost area may have preference.)"

3. "The capacity and willingness of local REA groups to cooperate with officials on the national level."

4. "Considerations of terrain and security essential to the construction and protection of an atomic power projects."

These subcommittees in the past have expressed real vision in their action on REA funds and activities. The rural electric systems can hope they will see fit to exert similar vision in this area of nuclear power development.

Finally, the Joint Congressional Committee on Atomic Energy and the independent offices subcommittees of both the House and Senate Appropriations Committees (which consider the AEC budgetary requests) would probably have to direct the AEC to proceed with the development of an atomic plant along the lines of one of the rural electric systems. The chairman of the joint committee is Representative W. STERLING COLE (New York). The Steuben Rural Electric Co-op is located in Representative COLE's home town of Bath, N. Y. There is a subcommittee of the joint committee on research and development which would probably consider this matter first. The rural electric systems hope they will have an opportunity to present their views on this matter to this committee in the near future and that this committee will act favorably on their request.

Officials of the AEC have expressed an interest in such a partnership arrangement with REA and the local systems. If the REA Administrator is going to make a loan for a conventional generating plant, and the AEC is planning to construct an atomic plant of the same approximate capacity, the AEC could be relieved of the conventional costs involved because of the REA loan. This is somewhat similar to the arrangement between the Duquesne Light Co. and the AEC for the construction and operation of a 60,000 kilowatt pressurized water reactor. Duquesne Light Co. furnished the site for the project, will build and operate the conventional part of the generating plant (the reactor will replace only the fire pot and boiler of a conventional steam plant) and also furnish labor to operate the reactor. In addition to this, Duquesne Light will pay $5

million of the total development cost of $85 million, and will purchase steam power used in the turbines from AEC.

It certainly would be desirable for all these groups, REA, AEC, and the congressional committees, to consider the rural electric systems for the site of one of these pilot plants. The actual construction and operating costs of such a plant would be easier to measure because of the nonprofit operation of the rural electric system. This would present a real yardstick of the actual costs of nuclear power. The rural electric systems, on the whole, require smaller generating units than the private power companies. Therefore, smaller units such as those contemplated in the 5-year development program of the AEC could be adapted to the needs of the rural electric systems. The possibilities of a small, independent generating system on the lines of a rural electric system if the plant could be economically operated at a low load factor and quickly be brought to peak capacity when required are obvious. Apparently an atomic power reactor offers just such possibilities. Also, there is and always will be the need for new sources of power along the lines of the rural electric systems. Their power input, it is estimated, will increase 94 percent in the 10-year period 1953–63. Also, there is the ever present problem of high wholesale power costs. It seems only logical that a nuclear plant should be built in such an area where it can be competitive perhaps even now.

The immediate problem of the rural electric systems is how to get started with active participation in this 5-year program. NRECA is doing considerable work along these lines—conferences have been held and will continue to be held with REA and AEC officials, and appearances have been made before the congressional committees. Also, the National is carefully studying all releases of the AEC and hopes to have a committee of the staff and the systems cleared for access to AEC research on nuclear power. But a great deal depends on the interest rural electrics express in this matter and, as Senator MUNDT says, "the capacity and willingness of local REA groups to cooperate with officials on the national level." We have no doubt about either the capacity or the willingness of all the rural electric systems, who are anxious to make the promise of atomic power available to the folks of rural America.

Mr. HUMPHREY. The article contains the following pertinent paragraph:

It is possible that the AEC could build one of these pilot plants on a partnership basis with REA and the rural electric systems. REA could make a loan to a system for a conventional generating plant where needed. The AEC would then pay the difference between this cost and the total cost of the atomic powerplant. The AEC could certainly justify this as a contribution to the development of atomic power technology. Under such an arrangement the rural electric system may also be able to secure lower cost power than its present costs of generation because of the lower fuel costs.

After some discussion with the Senator from North Dakota [Mr. YOUNG], it appears clear to the junior Senator from Minnesota that there is no limitation in the present Rural Electrification Act as to the use of loan funds, pertaining to particular sources of power. In other words, electrical energy could be generated by gas, by fuel oil, by coal, or by hydroelectric generating facilities. Such loans could be made available in connection with whatever means was used for the generation of electrical energy units. Therefore, it is my understanding—and I speak only for myself—that there would be no limitation within the REA basic act itself, with respect to loans to be granted to a rural electric cooperative which might desire to work in cooperation with the Atomic Energy Commission in the construction of a pilot plant.

I ask unanimous consent to obtain the comments of the Senator from North Dakota on that point.

Mr. MORSE. I have no objection.

Mr. YOUNG. It would appear that the REA Administrator would have such authority. Although I have not checked the law, and cannot be absolutely certain, I am reasonably certain. Of course there would be a limitation on the amount of money which could be loaned. The REA could not lend $300 million, or even $100 million.

Mr. HUMPHREY. Of course.

Mr. YOUNG. It would be my hope that the REA Administrator would cooperate to the fullest possible extent with the Atomic Energy Commission in the development of electricity from atomic energy.

Mr. HUMPHREY. I thank the Senator from North Dakota, and I particularly thank the Senator from Oregon [Mr. MORSE]. We had discussed this question previously. He was very kind in yielding to me so that we could discuss the subject more fully on the floor of the Senate.

Mr. MORSE. Mr. President, in closing my argument, I wish to thank my colleagues who have buttressed the position taken by the sponsors of the amendment. I sincerely hope that when we come to vote on it tomorrow we shall keep faith with the farmers of the country and give to the REA supporters the assistance they need, by increasing the appropriation in the bill by this relatively small amount.

TRIBUTE TO THE LATE SENATOR HOEY

Mr. SCHOEPPEL. Mr. President, on the 17th day of May of this year, the Commission on Intergovernmental Relations, now headed by Meyer Kestnbaum, Chairman, sent to me a resolution appertaining to the late distinguished Senator Clyde R. Hoey, of North Carolina. Senator Hoey was a member of the Intergovernmental Relations Commission. I ask unanimous consent that the resolution, which was unanimously adopted by the Commission, be incorporated in the body of the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Honorable Clyde R. Hoey, senior Senator from the State of North Carolina, was an invaluable member of the Commission on Intergovernmental Relations; and

Whereas Senator Hoey brought to the Commission a broad grasp and deep understanding of the problems facing the Commission in the field of Federal-State relations; and

Whereas his wisdom and the rich experience of his long and distinguished career of devoted public service enriched the purposes and personal associations of the Commission; and

Whereas his passing has brought great loss and sorrow to his fellow members of the Commission: Now, therefore, be it

Resolved, That the Commission on Intergovernmental Relations tender to his family this expression of its esteem and affection.

Signed at Washington, D. C., this 17th day of May 1954, in behalf of the members of the Commission whose grateful remembrance of Senator Clyde R. Hoey shall remain forever constant.

MEYER KESTNBAUM,
Chairman.

TVA POWER FOR THE ATOMIC ENERGY COMMISSION

Mr. GORE. Mr. President, on April 22 I rose on the floor of the Senate to express certain reservations and apprehensions about reports of proposals and negotiations thereon by the Atomic Energy Commission and private utility interests with respect to a supply of power to the Atomic Energy Commission at its installations located in the Tennessee Valley. At that time, based upon the limited information available to me, I raised two fundamental questions upon which I felt a decision would vitally affect the public interest.

It was reported that the Atomic Energy Commission was considering a proposal for the purchase from private interests of 600,000 kilowatts of electricity at a price substantially higher than that at which this same electricity is currently being supplied by TVA under existing contracts. I questioned the wisdom of a purchase of electricity by AEC from private interests at a price in excess of that for which the electricity could be generated in facilities already owned by the Government.

It was further reported that the specific proposals under consideration did not call for construction of generating facilities at Paducah or at any place in the vicinity of Atomic Energy Commission installations. On the contrary, the proposal appeared to call for construction of generating facilities at or near Memphis, Tenn., a distance of some 200 miles from Paducah and a distance of some 400 miles from the next nearest AEC installation. I suggested that this report, if correct, would indicate that the proposals did not involve delivery of electricity to the Atomic Energy Commission at all. The proposed location of the new plant offered some clues as to the real purpose of the proposal. In my remarks on April 22, I made the following observation:

The purposes of this maneuver are not as difficult to ascertain as are the answers to the questions I have propounded. It is plain to me that the real purposes of this proposal are threefold: First, to strike a death blow forever at the proposed construction by TVA of the Fulton steam plant on the Mississippi River. Second, to lay claim to the supply of electricity to the Memphis TVA service area. Third, to furnish electricity to the TVA and have a subsidy paid to private power interests by the American taxpayers through the Atomic Energy Commission.

When I spoke on April 22 there was a paucity of information available about this matter. Little additional information about the details of the proposal

have since become available. I can state, however, Mr. President, that developments since that time have done nothing to allay my apprehensions. In fact, such further information as has become available has served only to increase my doubts and substantiate my reservations as to the wisdom of the proposal or proposals.

Officials of the Bureau of the Budget were scheduled to appear before the Independent Offices Subcommittee of the Senate Appropriations Committee on April 26 to explain the details of the proposed contract and to make recommendations thereon. The subcommittee was then considering the TVA appropriation for fiscal 1955. If TVA was to be relieved of its obligation to furnish certain electricity to AEC, such fact was obviously material to a determination of the amount of TVA's appropriation.

A shortage of electric power in the Tennessee Valley beginning in 1957 has long been forecast. Calculations upon which this forecast has been based are now accepted as accurate by all concerned. Large additional facilities will be required to meet the demand for power for defense installations and for industrial, commercial, and residential consumers in the valley. As an illustration, by 1957, under present arrangements, the TVA will be furnishing to the Atomic Energy Commission more electric power than was consumed by any 1 of our 48 States in 1952, with the exception of the State of New York.

The administration has recognized the existence of this power shortage, and has implied that unless TVA's commitments to AEC were reduced, additional generating facilities would be required and this need would be reconsidered by the Bureau of the Budget and by Congress.

However, officials of the Bureau of the Budget did not appear on April 26. They have not yet appeared. The subcommittee, the full Committee on Appropriations, and the Senate have already acted on TVA's appropriation. No funds were provided for the construction of additional generating facilities which everyone now acknowledges will be required.

I am informed that officials from the Bureau of the Budget are now scheduled to appear before appropriate committees of the Congress on June 10 to report on the status of the negotiations to which I have referred. It is implied that if these negotiations are not successfully concluded, a supplemental appropriation bill for TVA will be considered by the Congress. But the time is growing short.

However, it is not my purpose in arising today merely to repeat the apprehensions I have previously stated. Other questions about the manner in which these negotiations are being conducted and by whom they are being conducted are even more disturbing.

In his budget message to the Congress earlier this year, the President stated:

> Arrangements are being made to reduce, by the fall of 1957, existing commitments of TVA to the Atomic Energy Commission by 500,000 to 600,000 kilowatts.

The above passage from the President's message would appear to indicate that it was contemplated only that TVA would be relieved of its obligation to furnish 500,000 to 600,000 kilowatts of electricity to the AEC, thus freeing this amount for use elsewhere by TVA. Such an objective would ordinarily be accomplished by either of two means: (1) A reduction of AEC's requirements, or (2) the direct procurement of such an amount of electricity for its own needs by the AEC from other sources.

Nothing is said in the President's budget message about the purchase of 600,000 kilowatts of electricity from private sources by the TVA or by any other agency acting for the TVA. It is becoming obvious, however, that the latter is exactly what is now being considered and proposed. I hold here in my hand a copy of a so-called data sheet, prepared by the Atomic Energy Commission, which sets forth the detailed information to be required of those wishing to make a proposal to furnish this electric power to AEC. Some of the information contained in this data sheet is illuminating. The data sheet is labeled at the top of the first sheet as follows: "For Electric Power Requirements To Replace 600 Kilowatts of Firm Power Now Under Contract With TVA to the Atomic Energy Commission's Diffusion Plant at Paducah."

Mr. DOUGLAS. Mr. President, will the Senator from Tennessee yield for a question?

The PRESIDING OFFICER (Mr. COOPER in the chair). Does the Senator from Tennessee yield to the Senator from Illinois?

Mr. GORE. I yield.

Mr. DOUGLAS. The document to which the Senator from Tennessee refers is not classified, is it?

Mr. GORE. No; there is no such marking on the sheet. I am sure it is not classified.

Mr. DOUGLAS. So that the Senator is not violating any confidence of the AEC in making this information public?

Mr. GORE. I am sure I am not. This is a mimeographed data sheet.

Mr. DOUGLAS. The Senator from Tennessee has always been very careful about such matters, and I think it should be made a matter of public record that the Senator is conforming to strict standards of secrecy and classification at this time.

Mr. GORE. I thank the Senator from Illinois. I am sure I am not violating any secrecy, nor am I treading upon untrod land. The path seems to be well beaten.

In paragraph 1 the purpose of the proposals are set forth as follows:

> For proposals to the Atomic Energy Commission leading to contractual arrangements for 600,000-kilowatts of firm power as replacement of firm power now under contract with TVA for a period not to exceed 25 years with provisions for 2–5 year extensions at the option of AEC.

Paragraph 2 sets forth the basic data for additional power supply. I read therefrom as follows:

> Delivery to TVA for the account of AEC at points near or at Memphis, Tenn., for use in the Memphis area by TVA as a replacement of energy being delivered by TVA to the Paducah Gaseous Diffusion Plant.

If there ever were any doubts about the matter, Mr. President, those doubts are now resolved. This is not a proposal for delivery of power to AEC. It is a proposal looking toward the execution of a contract for delivery of power to TVA for use in the Memphis area. That is exactly what the data sheet shows. Aside from the merits, or lack thereof, of the proposal, a fundamental question is involved of which I feel that Congress should be fully aware. Simply stated, the question is this: By what authority does AEC negotiate a contract for delivery of power to TVA?

I have examined both the basic TVA Act and the Atomic Energy Commission Act of 1946 in search of any such authority. My search has been in vain.

The TVA Act is carried in title 16, United States Code. By the terms of the act, TVA is designated a "body corporate." It was created by the Congress as an independent agency of the United States. Section 831 (a) provides for a Board of Directors composed of three members appointed by the President with the advice and consent of the Senate. It is specifically provided that "the Board should direct the exercise of all the powers of the corporation." Among the general powers of the corporation as enumerated in section 831 (c) is the power to make contracts. The act makes it clear that management of TVA is vested in its Board of Directors pursuant to the terms of, and subject to the limitations of, acts of Congress. At no place in the act is there found any provision authorizing the Executive, the Budget Director, or any other agency, to dictate the manner in which the Board shall discharge its management functions. The act provides that the President from time to time shall make recommendations to the Congress for such legislation as he deems necessary to carry out the general purposes of the act, but the final authority rests with the Congress.

An examination of the Atomic Energy Act of 1946 discloses that the Commission was likewise created by the Congress as an independent agency. The management of the atomic energy program is vested in a Commission composed of members appointed by the President with the advice and consent of the Senate. These members are removable by the President only for inefficiency, neglect of duty, or malfeasance in office. At no place in the act, or in any amendments thereof, do I find any authority for the members of the Atomic Energy Commission to participate in the management of, or negotiate contracts for, any other agency of the Government. The Commission is directed to operate facilities for the production of fissionable materials and to engage in certain other activities. As a corollary function, the Commission is necessarily authorized to make contracts to fill its requirements for electric power and other commodities and services. The Commission was authorized, I think, to enter into a contract with TVA, which it did. Presumably it would also be authorized to rescind that contract, in accordance with conditions contained in the terms thereof, or providing such action is agreeable with the Board of Directors of TVA.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 3, 1954
For actions of June 2, 1954
83rd-2nd, No. 101

CONTENTS

HIGHLIGHTS: Senate passed agricultural appropriation bill. Senate committee voted to report bills to extend Commodity Exchange Act to onions and increase fees, authorize additional contract research, authorize banks for cooperatives to issue consolidated debentures, and modify peanut allotment legislation. Sen. Beall commended President's farm program. Rep. Yorty criticized flexible price supports and USDA dairy program. Rep. Hope introduced bill to increase market development and acquire agricultural information in foreign countries.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 8779 (pp. 7070-91). (See page 5 for excerpts from Senate committee report.)
Sens. Young, Ferguson, McCarthy, Mundt, Aiken, Russell, Hayden, and McCarran were appointed conferees (p. 7091).

Agreed to the following amendments:
By Sen. Douglas, to increase the authorization for REA electrification loans from $100,000,000 to $135,000,000; by a vote of 42 to 40. A motion was made to reconsider the vote, and that motion was laid on the table by a vote of 43 to 39. (pp. 7070-83.)
By Sen. Monroney, to increase the item for watershed protection from $5,000,000 to $6,000,000 (pp. 7089-90).
By Sen. Eastland, to amend the language of the Marketing Service appropriation so as to require the opening of three cotton classing offices in Miss. (p. 7091).
By Sen. Welker, to increase the item for White Pine Blister Rust Control by $60,000 (p. 7091).

Rejected the following amendments:
By Sen. Long, to increase the School Lunch Program by $10,000,000 for non-food assistance, by a vote of 39 to 43 (pp. 7084-7).
By Sen. Morse, to increase the contingency authorization for electrification loans from $35,000,000 to $70,000,000, by a vote of 22 to 61 (pp. 7087-9).

2. COMMODITY EXCHANGES; RESEARCH; PEANUTS; FARM LOANS; LAND TRANSFERS. The Agriculture and Forestry Committee voted to report (but did not actually report) H. R. 6435, to amend the Commodity Exchange Act to include onions (amendment would provide that the bill take effect 60 days after enactment); and without amendment S. 2367, to authorize this Department to contract for research on projects in addition to those covered by the Research and Marketing Act; S. 2715, to permit peanut farmers to come under price supports, under certain circumstances, without penalty for exceeding their acreage allotments; S. 3207, to authorize the Secretary to fix reasonable fees and charges under the Commodity Exchange Act for registration and renewal; S. 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures; S. J. Res. 134, to direct the Secretary to quitclaim retained rights to a tract of former FHA land to the Board of Education of Irwin County, Ga.; H. R. 107, to provide for transfer to N. Dak. of a former tract of FHA land at Fort Buford; H. R. 3097, to donate the USDA Grape Station at Oakville, Calif., to the University of California; and H. R. 4017, to convey certain land and improvements (formerly FHA) to the England Special School District, Ark. (p. D614).

3. PERSONNEL. S. 2728, to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, was made the unfinished business (p. 7109).

4. CCC AUDIT. Received the GAO audit report on CCC, part 2, for the fiscal year 1952 (p. 7062).

5. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 3336, to include Nevada among the States authorized to negotiate a compact for apportionning Columbia River waters (S. Rept. 1494)(p. 7062).

6. PRICE SUPPORTS. Sen. Beall commended the President's farm program and inserted a Frederick (Md.) Chamber of Commerce resolution on this matter (p. 7064).

HOUSE

7. SOCIAL SECURITY. Rep. Elliott spoke in favor of H. R. 9366, the social security bill (p. 7112).

8. PUBLIC LANDS. A subcommittee voted to report to the full Interior and Insular Affairs Committee H. R. 8896, to amend the mineral leasing laws to provide for multiple mineral development of the same tracts of public lands (p. D617).

9. EDUCATION. The Veterans' Affairs Committee reported with amendment H. R. 9395, to provide 2 additional years for initiating a course of training under the Korean GI bill (H. Rept. 1704)(p. 7130).

10. LOBBYING. Received the quarterly report of registrations under the Lobbying Act (pp. 7132-67).

BILLS INTRODUCED

11. RICE IMPORTS. S. 3545, by Sen. Ellender (for himself and others), and H. R. 9418, by Rep. Thompson of La., to remove Patna rice from the free list; to House Ways and Means Committee and Senate Finance Committee (pp. 7063, 7131).

12. SOIL CONSERVATION. H. R. 9419, by Rep. Young, "to amend the Soil Conservation and Domestic Allotment Act"; to Agriculture Committee (p. 7131).

EXCERPTS FROM SENATE COMMITTEE REPORT ON AGRICULTURAL APPROPRIATION BILL, 1955

General Statement

The amount of the bill as it passed the House was $720,102,654, which was $21,360,841 over the estimates of $698,741,813.

The Senate committee recommends increases totaling $5,617,120 and decreases totaling $2,927,803, for a net increase of $2,689,317 over the House bill.

The total amount of the bill recommended by the Senate committee is $722,791,971, which is $24,050,158 over the estimates of $698,741,813.

The budget estimates for the items in this bill are less than 2 percent of the President's $56 billion budget for the fiscal year 1955. This means that a very small part of the total budget is devoted to a segment of our economy which admittedly, is so vitally important to the economic health of the Nation. The committee believes it is not generally understood that all of the agricultural programs in the bill represent less than 2 cents out of each dollar requested by the President for the Government as a whole.

Appropriations to the Department of Agriculture have not been increasing over the past 20 years. In fact, the largest appropriations were made some 15 years ago, and since that time the Department has been assigned such additional functions as the administration of the National School Lunch Act and the Research and Marketing Act of 1946.

Comparisons of agriculture with other functions of Government are difficult to make on a historical basis because of the reassignment of functions and other factors. Such a comparison is shown, however, on page 1499 of part 3 of the House hearings and on page 996 of the Senate hearings on the 1955 agricultural appropriation bill. This shows that since 1940 agricultural appropriations have decreased 30 percent, while those of other civilian agencies have increased very substantially.

Commodity Credit Corporation

Surplus disposal. The committee feels that more positive action should be taken by the Department in disposing of agricultural surplus, both at home and abroad. Up to this time, for example, no significant progress has been made in disposing of dairy surpluses. A butter disposal program, which has been supported by most farm groups, has been under consideration in the Department, but so far, no concrete action is evident. The committee believes a program for domestic disposal of perishable surpluses is long overdue.

Under section 32, the Department makes surplus commodities available, through State distributing agencies, to public or nonprofit private schools, public or private welfare agencies, and charitable institutions. The Department should take immediate action to develop a more aggressive program. Steps should be taken to make surpluses more readily available to charitable organizations such as old people's homes, individuals on relief, nonprofit hospitals, and similar organizations.

INCREASES AND LIMITATIONS

Agricultural Research Service:

Research:

This committee, over the years, has believed strongly in the need for greater research in agriculture. The importance of research to our farmers and the Nation has been well recognized. Research has been the foundation of all our really big advances in agricultural industry. With an expanding population and an increasing demand for food and fiber products, there is an urgent need to expand efforts in the search for more efficient production, processing, and marketing of farm products.

In 1953, we were using 480 million acres of cropland equivalent to supply food and fiber for domestic human consumption. This figure includes the actual cropland plus the cropland equivalent of the pasture and grazing lands used. This was more than sufficient for our current needs as evidenced by the present diversion of some 25 million acres out of production of wheat, cotton, and corn. Looking ahead to 1975, however, we will need the output of more than 140 million more acres than we are now using if our population is to be as well provided for as now.

It seems likely that net additions to our cropland base of 25 to 30 million acres and further release of 10 to 15 million acres from feeding horses and mules will provide about 40 million acres of this requirement. (By comparison, the decrease in horses and mules since 1915 has released more than 75 million acres of cropland plus an additional large acreage of pasture.) This leaves a significant deficit of more than 100 million acres.

In face of this situation, the committee feels we must strengthen research in order to get both increased and more efficient production for the long run. Also we need more research to find new uses and new markets now.

Experience has shown that research can provide the knowledge necessary for more efficient production. It can show us how to cut down the tremendous toll taken each year by weeds, diseases, and insects, and to reduce the losses that take place in marketing channels. Throughout our history, efficient and low-cost production has always been a necessary ingredient in the expansion of agriculture and industry.

The Department's research program has a commendable record. Americans are eating better--eating more of the protective foods, such as milk, eggs, vegetables, and fruits. The Department's research has had a considerable share in the sweeping changes in the food habits of the Nation. Agricultural chemists have found ways to modify inedible animal fats, which are piling up in surplus, and put them to use in industry. One of the biggest new outlets is in making plastics--a potential market that can reduce the yearly surplus of fats. The frozen orange juice concentrate industry this year is expected to take about half the record-breaking Florida orange crop. Ten years ago this industry didn't even exist. Discovery of the value of antibiotics in poultry feed is saving the broiler producers millions of dollars worth of feed a year and putting broilers on the market 3 weeks younger. Agricultural research made all this progress possible.

Agricultural Research Service: (cont.)

Despite these achievements, the committee believes that the research program can be improved if the Agricultural Research Service adhered more closely to the recommendations of its various advisory groups when requesting additional funds. The committee was amazed to find that in certain phases of the research only a small part of the advisory groups' recommendations was being implemented. In the case of field crops the record is even worse. The advisory groups on field crops made a number of high-priority recommendations, yet the Department did not see fit to include any increases to implement any of the recommendations. Farmers are being faced with more and more problems in their battle to raise these crops so important to the Nation's welfare. It is obvious that the Department needs to give more consideration, when requesting funds, to the recommendations of its advisory groups which were established to assist the Department in effectuating the research program.

The committee believes, further, that the Research Service has not followed, or has been reluctant to give more emphasis to, certain lines of research about which the House and Senate committees have been greatly concerned. The Congress has found it necessary, particularly on grain research, for the past several years to include or earmark additional funds for work on diseases and insects attacking our basic grain crops. Funds have been provided by the Congress for such work as wheat smut, wheat stem rust, wheat stem sawfly and for investigations on barley, oats, and other grains. The committee believes that inadequate funds have been made available by the Department for research on these major crops. Future increased demand for food and the constant threat posed to our food supply from new types of diseases make increased research on our basic food crops more important than ever before. The Department has not paid enough attention to these crops and others of great importance, such as cotton, nor has it followed the feeling of Congress as to the need for more research on these crops. The Department, however, has not hesitated to ask repeatedly for funds in other fields of work which the Congress has indicated at times was of lesser importance.

Plant and animal disease and pest control:

The committee generally approves the position taken by the House committee with respect to the importance of plant and animal disease and pest control programs and is opposed to the Department's recommendations that Federal participation in certain cooperative activities be discontinued or sharply curtailed. Although the committee feels that the States and local interests could well share a much larger financial responsibility, appropriations for Federal activities should not be reduced, with the danger of crippling the programs, until such time as appropriate agreements are worked out with the States. Insect problems cut across State lines and it is essential that Federal programs be maintained until the States are in a position to assume a greater share of the responsibility.

Agricultural Conservation Program Service:

Advance authorization for the 1955 crop year:

The Diverted Acreage Problem

With the institution of acreage control programs on 1954 wheat, cotton and corn and the virtual certainty of continuance of acreage allotments on those crops in 1955, it is estimated that approximately 30,000,000 acres are available for planting to other crops. Unless a substantial portion of the diverted acres can

Agricultural Conservation Program Service: (cont.)

be guided into soil conserving uses and thereby removed from production of non-allotment crops already in adequate supply, the imbalance brought about will be of serious consequence. For planning their operations during the coming year, farmers need to be informed regarding the possible alternative uses of their lands including the types of conservation practices for which the Government will lend assistance.

It is understood that the Secretary is authorized to announce limitations on the use of diverted acres as a condition of eligibility for price support and intends to exercise the authority as indicated in his request for a $250,000,000 authorization for the 1955 agricultural conservation program. However, he has neither outlined the limitations to be imposed nor has he stated the kind of ACP program intended. This committee is concerned regarding the lack of a specific program for diverted acres. Both the House committee and the Senate committee asked earnest questions regarding the Department's views with respect to what use will be made of these diverted acres, and particularly as to how the $250,000,000 ACP payments authorization will be used in this diverted-acres program. By this time, the Department should have been able to better advise the committee as to what portion of the $250,000,000 will be used on diverted acres, and for what purposes.

The committee feels that it cannot properly perform its duties on the appropriation without knowledge of the program of the Department for the use of these diverted acres.

In agreeing to the House action in providing an authorization of $250,000,000 for the 1955 program, the committee recommends restoration of the budget language relating to the increase of $55,000,000 in contemplation of a program on diverted acres.

83D CONGRESS
2D SESSION

H. R. 8779

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1954

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and

1 eradicate insect pests and plant and animal diseases, and to
2 perform related inspection, quarantine and regulatory work,
3 and meat inspection: *Provided,* That not to exceed $15,000
4 of the appropriations hereunder shall be available for em-
5 ployment pursuant to the second sentence of section 706 (a)
6 of the Organic Act of 1944 (5 U. S. C. 574), as amended
7 by section 15 of the Act of August 2, 1946 (5 U. S. C.
8 55a): *Provided further,* That appropriations hereunder
9 shall be available for the operation and maintenance of air-
10 craft and the purchase (for emergency replacement only)
11 of not to exceed one, and the construction, alteration, and
12 repair of buildings and improvements, but unless otherwise
13 provided, the cost of constructing any one building (except
14 headhouses connecting greenhouses) shall not exceed
15 $7,500 and the cost of altering any one building during the
16 fiscal year shall not exceed $3,750 or two per centum of
17 the cost of the building, whichever is greater:
18 Research: For research and demonstrations on the pro-
19 duction and utilization of agricultural products, and related
20 research and services, including administration of payments
21 to State Agricultural Experiment Stations; $35,353,000, of
22 which not to exceed $20,000 shall be available for the con-
23 struction of an office and a laboratory building at the South-
24 eastern Tidewater Field Station, Fleming, Georgia, and of
25 which not to exceed $28,000 shall be available for the con-

1 struction or acquisition of the necessary lands and buildings
2 for a pecan research laboratory at Albany, Georgia (1), *and*
3 *of which not to exceed $100,000 shall be available for the*
4 *construction of a cotton ginning laboratory in the Southeast,*
5 *including acquisition of necessary land.*

6 Plant and animal disease and pest control: For opera-
7 tions and measures to control and eradicate insect pests and
8 plant and animal diseases and for carrying out assigned
9 inspection, quarantine and regulatory activities, as authorized
10 by law; (2)~~$17,461,380~~ *$17,819,600*, of which $400,000
11 shall be apportioned for use pursuant to section 3679 of
12 the Revised Statutes, as amended, for the control of out-
13 breaks of insects and plant diseases under the joint reso-
14 lution approved May 9, 1938 (7 U. S. C. 148–148e) to
15 the extent necessary to meet emergency conditions: *Pro-*
16 *vided further*, That no part of this appropriation shall
17 be used to pay the cost or value of trees, farm
18 animals, farm crops, or other property injured or de-
19 stroyed as a result of plant insect and disease control
20 activities except potatoes and tomatoes as authorized under
21 the Golden Nematode Act: *Provided further*, That, in the
22 discretion of the Secretary, no part of this appropriation shall
23 be expended for the control of sweetpotato weevil in any State
24 until such State has provided cooperation necessary to
25 accomplish this purpose, or for barberry eradication until

a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products; (3) ~~$14,190,000~~ *$14,325,000.*

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments to the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following Acts relating to agricultural experiment stations:

Hatch Act, the Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams Act, the Act approved March 16, 1906 (7 U. S. C. 369), $720,000; Purnell Act, the Act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382), $2,880,000; Bankhead-Jones Act, title I of the Act approved June 29, 1935 (7 U. S. C. 427–427g), sections 3 and 5, $2,863,708, and sections 9 and 11 of said Act as added by the Act of August 14, 1946 (7 U. S. C. 427h, 427j), including administration by the Office of Experiment Stations in the United States Department of Agriculture, $11,500,000, no part of which latter amount shall be used

1 for beginning construction of any building costing in
2 excess of $15,000; Hawaii, the Act approved May 16,
3 1928 (7 U. S. C. 386–386b), extending the benefits
4 of certain Acts of Congress to the Territory of Hawaii,
5 $90,000; Alaska, the Act approved February 23, 1929
6 (7 U. S. C. 386c), extending the benefits of the Hatch
7 Act to the Territory of Alaska, $15,000, and the provisions
8 of section 2 of the Act approved June 20, 1936, as
9 amended (7 U. S. C. 369a), extending the benefits of the
10 Adams and Purnell Acts to the Territory of Alaska,
11 $75,000; Puerto Rico, the Act approved March 4, 1931, as
12 amended (7 U. S. C. 386d–386f), extending the benefits of
13 certain Acts of Congress to Puerto Rico, $90,000; section
14 204 (b) of the Agricultural Marketing Act, the Act approved
15 August 14, 1946 (7 U. S. C. 1623), $500,000; in all
16 payments to States, Hawaii, Alaska, and Puerto Rico,
17 $19,453,708.

18 FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF
19 ANIMALS AND POULTRY

20 Eradication activities: For expenses necessary in the arrest
21 and eradication of foot-and-mouth disease, rinderpest, conta-
22 gious pleuropneumonia, or other contagious or infectious dis-
23 eases of animals, or European fowl pest and similar diseases in
24 poultry, including the payment of claims growing out of de-
25 struction of animals (including poultry) affected by or ex-

1 posed to, or of materials contaminated by or exposed to, any
2 such disease, when there has been compliance with all lawful
3 quarantine regulations, and for foot-and-mouth disease and
4 rinderpest programs undertaken pursuant to the provisions of
5 the Act of February 28, 1947, and the Act of May 29, 1884,
6 as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including
7 expenses in accordance with section 2 of said Act of Feb-
8 ruary 28, 1947, the Secretary may transfer from other
9 appropriations or funds available to the bureaus, corpora-
10 tions, or agencies of the Department such sums as he may
11 deem necessary, but not to exceed $2,650,000 for eradica-
12 tion of vesicular exanthema of swine, to be available only
13 in an emergency which threatens the livestock or poultry
14 industry of the country, and any unexpended balances of
15 funds transferred under this head in the next preceding fiscal
16 year shall be merged with such transferred amounts: *Pro-*
17 *vided*, That, except for payments made pursuant to said Act
18 of February 28. 1947, the payment for animals may be made
19 on appraisement based on the meat, egg-production, dairy.
20 or breeding value, but in case of appraisement based on
21 breeding value no appraisement of any animal shall exceed
22 three times its meat. egg-production, or dairy value and,
23 except in case of an extraordinary emergency to be
24 determined by the Secretary, the payment by the United
25 States shall not exceed one-half of any such appraisements:

Provided further, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

Research: For expenses necessary for research authorized by the Act of April 24, 1948 (21 U. S. C. 113a), (4)~~$1,800,000~~ *$2,134,000*.

Extension Service

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), $38,662,000; under section 5, Clarke-McNary Act (16 U. S. C. 568–568a), $88,000; and payments and contracts for such work under section 204 (b)–205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623–1624), $925,000; in all, $39,675,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

FEDERAL EXTENSION SERVICE

Administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 568–568a), and extension aspects of the

Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,925,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, (5)~~$1,885,000~~ *$2,000,000.*

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), $408,000.

FOREST SERVICE

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided,* That the cost of any building

1 purchased, erected, or as improved, exclusive of the cost of
2 constructing a water-supply or sanitary system and of con-
3 necting the same with any such building, and exclusive of the
4 cost of any tower upon which a lookout house may be erected,
5 shall not exceed $18,500 ($22,500 in Alaska) with the ex-
6 ception that any building erected, purchased, or acquired, the
7 cost of which was $18,500 or more, may be improved out of
8 the appropriations made under this Act for the Forest Service
9 by an amount not to exceed 2 per centum of the cost of such
10 building; to protect, administer, and improve the national
11 forests, including tree planting and other measures to pre-
12 vent erosion, drift, surface wash, soil waste, and the forma-
13 tion of floods, and to conserve water; to ascertain the natural
14 conditions upon and utilize the national forests, to transport
15 and care for fish and game supplied to stock the national
16 forests or the waters therein; for management of lands ac-
17 quired under the land utilization program; and to collate,
18 digest, report, and illustrate the results of experiments and
19 investigations made by the Forest Service: *Provided fur-*
20 *ther*, That the appropriations available to the Forest Serv-
21 ice for the current fiscal year may be used for the operation
22 and maintenance of aircraft, and the purchase of not to ex-
23 ceed four (for replacement only), and not to exceed
24 $250,000 of such appropriations may be used for the

1 maintenance, improvement, and construction of aircraft land-
2 ing fields in, or adjacent to, the national forests, as follows:
3 National forest protection and management: For the ad-
4 ministration, protection, use, maintenance, improvement, and
5 development of the national forests, including the establish-
6 ment and maintenance of forest tree nurseries, including the
7 procurement of tree seed and nursery stock by purchase, pro-
8 duction, or otherwise, seeding and tree planting and the care
9 of plantations and young growth; the maintenance of roads
10 and trails and the construction and maintenance of all other
11 improvements necessary for the proper and economical ad-
12 ministration, protection, development, and use of the national
13 forests, including experimental areas under Forest Service
14 administration, except that where direct purchases will be
15 more economical than construction, improvements may be
16 purchased; the construction (not to exceed $18,500 for any
17 one structure), equipment, and maintenance of sanitary and
18 recreational facilities; timber cultural operations; develop-
19 ment and application of fish and game management plans;
20 propagation and transplanting of plants suitable for planting
21 on semiarid portions of the national forests; estimating and
22 appraising of timber and other resources and development
23 and application of plans for their effective management, sale,
24 and use; expenses of the National Forest Reservation Com-
25 mission as authorized by section 14 of the Act of March 1,

1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506–509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed $100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010–1012); (6) ~~$30,132,700~~ *$30,860,000*: *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

Fighting forest fires: For fighting and preventing forest fires on or threatening lands under Forest Service administration, including lands under contract for purchase or in process of condemnation for Forest Service purposes, and for liquidation of obligations incurred in the preceding fiscal year for such purpose, $6,000,000, of which $2,500,000 shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary to meet emergency conditions.

Control of forest pests: For the control of white pine blister rust pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), including the development and testing of new control methods, (7)~~$2,650,000~~ *$2,490,000,* of which $360,000 shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C., Supp. V. 594–1—594–5), (8)~~$2,150,000~~ *$2,585,000,* of which (9)~~$1,750,000~~ *$2,185,000* shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; (10)~~$4,800,000~~ *$5,075,000.*

Forest research: For forest research at forest or range

experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3. 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a–581c, 581f–581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; (11)~~$6,528,500~~ *$6,918,500*: *Provided,* That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.

FOREST ROADS AND TRAILS

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, $16,000,000, which sum is authorized to be appropriated by the Acts of September 7, 1950 (64 Stat. 786), and June 25, 1952 (66 Stat. 158), to remain avail-

able until expended: *Provided,* That this appropriation shall be available for the rental, purchase, construction, or alteration of buildings necessary for the storage and repair of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased, altered, or constructed under this authorization shall not exceed $18,500 ($22,500 in Alaska), with the exception that any building erected, purchased, or acquired, the cost of which was $18,500 or more, may be improved within any fiscal year by an amount not to exceed 2 per centum of the cost of such buildings.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

Weeks Act

For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), (12)~~$75,000~~ *$125,000,* to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided,* That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further,* That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

1 Special Acts

2 For the acquisition of land to facilitate the control of
3 soil erosion and flood damage originating within the exterior
4 boundaries of the following national forest, in accordance
5 with the provisions of the following Act authorizing annual
6 appropriations of forest receipts for such purposes, and in not
7 to exceed the following amount from such receipts:
8 Cache National Forest, Utah, Act of May 11, 1938 (Public
9 Law 505), as amended, $10,000: *Provided*, That no part
10 of this appropriation shall be used for acquisition of any
11 land which is not within the boundaries of a national
12 forest: *Provided further*, That no part of this appropriation
13 shall be used for the acquisition of any land without the
14 approval of the local government concerned.

15 STATE AND PRIVATE FORESTRY COOPERATION

16 For expenses necessary for cooperation with the various
17 States in forest-fire prevention and suppression, in forest
18 tree planting, in forest management and processing, and in
19 farm forestry extension, pursuant to the Act of August 25,
20 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3,
21 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–
22 568a), and Acts supplementary thereto; advising tim-
23 berland owners, associations, and other appropriate agen-
24 cies in the application of forest management principles to

federally owned lands leased to States and to private forest lands, and advising wood-using industries in processing of forest products, so as to attain sustained-yield management, the conservation of the timber resources, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries; (13)~~$10,608,690~~ *$10,683,690.*

COOPERATIVE RANGE IMPROVEMENTS

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests as authorized by section 12 of the Act of April 24, 1950 (16 U. S. C. 580h), (14)~~$281,000~~ *$500,000,* to remain available until expended.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a–590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings;

1 operation and maintenance of aircraft; and furnishing of
2 subsistence to employees; (15)~~$58,965,671~~ *$59,085,671*:
3 *Provided,* That the cost of any permanent building purchased,
4 erected, or as improved, exclusive of the cost of constructing a
5 water supply or sanitary system and connecting the same to
6 any such building and with the exception of buildings acquired
7 in conjunction with land being purchased for other purposes,
8 shall not exceed $2,500, except for eight buildings to be
9 constructed or improved at a cost not to exceed $15,000
10 per building and except that alterations or improvements to
11 other existing permanent buildings costing $2,500 or more
12 may be made in any fiscal year in an amount not to exceed
13 $500 per building: *Provided further,* That no part of this
14 appropriation shall be available for the construction of any
15 such building on land not owned by the Government: *Pro-*
16 *vided further,* That in the State of Missouri, where the State
17 has established a central State agency authorized to enter
18 into agreements with the United States or any of its agencies
19 on policies and general programs for the saving of its soil by
20 the extension of Federal aid to any soil conservation district
21 in such State, the agreements made by or on behalf of the
22 United States with any such soil conservation district shall
23 have the prior approval of such central State agency before
24 they shall become effective as to such district: *Provided*

1 *further*, That no part of this appropriation may be expended
2 for soil and water conservation operations under the Act of
3 April 27, 1935 (16 U. S. C. 590a–590f), in demonstration
4 projects: *Provided further*, That not to exceed $5,000 may
5 be used for employment pursuant to the second sentence of
6 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
7 574), as amended by section 15 of the Act of August 2,
8 1946 (5 U. S. C. 55a): *Provided further*, That qualified
9 local engineers may be temporarily employed at per diem
10 rates to perform the technical planning work of the service.

11 WATERSHED PROTECTION

12 For expenses necessary to conduct surveys, investiga-
13 tions, and research and to carry out preventive measures,
14 including, but not limited to, engineering operations, meth-
15 ods of cultivation, the growing of vegetation, and changes in
16 use of land, in accordance with the provisions of the Act of
17 April 27, 1935 (16 U. S. C. 590a–590f), to remain available
18 until expended, (16)~~$5,000,000~~ *$6,000,000*, with which
19 shall be merged the unexpended balances of funds heretofore
20 appropriated or transferred to the Department for watershed
21 protection purposes.

22 FLOOD PREVENTION

23 For expenses necessary, in accordance with the Flood
24 Control Act, approved June 22, 1936 (Public Law 738),
25 as amended and supplemented, and in accordance with the

1 provisions of laws relating to the activities of the Depart-
2 ment, to make preliminary examinations and surveys, and
3 to perform works of improvement, and to plan the agricul-
4 tural phases of the development of the Arkansas-White-Red
5 River area, the New England-New York area, including not
6 to exceed $100,000 for employment pursuant to the second
7 sentence of section 706 (a) of the Organic Act of 1944 (5
8 U. S. C. 574), as amended by section 15 of the Act of
9 August 2, 1946 (5 U. S. C. 55a), at rates for individuals
10 not to exceed $100 per diem, to remain available until ex-
11 pended, (17)~~$6,982,000~~ *$7,482,000*, with which shall be
12 merged the unexpended balances of funds heretofore appro-
13 priated or transferred to the Department for flood prevention
14 purposes: *Provided*, That no part of such funds shall be used
15 for the purchase of lands in the Yazoo and Little Tallahatchie
16 watersheds without specific approval of the county board of
17 supervisors of the county in which such lands are situated,
18 nor shall any part of such funds be used for the purchase of
19 lands in the counties of Adair, Cherokee, and Sequoyah, in
20 the State of Oklahoma, and Neosho, Cottonwood, Verdigris,
21 Caney, and tributaries in Kansas, without the specific ap-
22 proval of the Board of County Commissioners of the county
23 in which such lands are situated: *Provided further*, That
24 of the funds available herein, not in excess of $6,-
25 504,500 (with which shall be merged the unexpended

1 balances of funds heretofore made available for these pur-
2 poses) may be expended in watersheds heretofore authorized
3 by section 13 of the Flood Control Act of December 22,
4 1944, for necessary gully control, floodwater detention, and
5 floodway structures in areas other than those over which
6 the Department of the Army has jurisdiction and
7 responsibility.

8 WATER CONSERVATION AND UTILIZATION PROJECTS

9 For expenses necessary to carry out the functions of
10 the Department under the Acts of May 10, 1939 (53 Stat.
11 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10),
12 as amended and supplemented, June 28, 1949 (Public Law
13 132), and September 6, 1950 (7 U. S. C. 1033–1039), re-
14 lating to water conservation and utilization projects, to
15 remain available until expended, $480,000, which sum shall
16 be merged with the unexpended balances of funds heretofore
17 appropriated to said Department for the purposes of said
18 Acts.

19 AGRICULTURAL CONSERVATION PROGRAM SERVICE

20 For necessary expenses to carry into effect the pro-
21 visions of section 7 to 17, inclusive, of the Soil Conser-
22 vation and Domestic Allotment Act, approved February
23 29, 1936, as amended (16 U. S. C. 590g–590q), (18) ~~in-~~
24 ~~cluding not to exceed $6,000 for the preparation and dis-~~
25 ~~play of exhibits, including such displays at State, interstate,~~

1 ~~and international fairs within the United States;~~ $191-
2 700,000, to remain available until December 31 of the
3 next succeeding fiscal year for compliance with the pro-
4 gram of soil-building practices and soil- and water-conserv-
5 ing practices authorized under this head in the Department
6 of Agriculture Appropriation Act, 1954, carried out during
7 the period July 1, 1953, to December 31, 1954, inclusive:
8 *Provided,* That not to exceed $22,500,000 of the total sum
9 provided under this head shall be available during the cur-
10 rent fiscal year for salaries and other administrative ex-
11 penses for carrying out such program, the cost of aerial
12 photographs, however, not to be charged to such limita-
13 tion; but not more than $4,020,000 shall be transferred
14 to the appropriation account, "Administrative expenses,
15 section 392, Agricultural Adjustment Act of 1938":
16 *Provided further,* That payments to claimants here-
17 under may be made upon the certificate of the claimant,
18 which certificate shall be in such form as the Secretary may
19 prescribe, that he has carried out the conservation practice or
20 practices and has complied with all other requirements as
21 conditions for such payments and that the statements and
22 information contained in the application for payment are
23 correct and true, to the best of his knowledge and belief,
24 under the penalties of title 18, United States Code: *Provided*

1 *further,* That none of the funds herein appropriated or made
2 available for the functions assigned to the Agricultural Ad-
3 justment Agency pursuant to the Executive Order Numbered
4 9069, of February 23, 1942, shall be used to pay the salaries
5 or expenses of any regional information employees or any
6 State information employees, but this shall not preclude the
7 answering of inquiries or supplying of information at the
8 county level to individual farmers: *Provided further,* That
9 such amount shall be available for salaries and other admin-
10 istrative expenses in connection with the formulation and
11 administration of the 1955 program of soil-building practices
12 and soil- and water-conserving practices, under the Act of
13 February 29, 1936, as amended (amounting to $250,000,-
14 000, including administration, (19)~~but of this amount not more~~
15 ~~than $195,000,000 may be used until a final program has~~
16 ~~been adopted relative to the use of acreage diverted from~~
17 ~~production,~~ *but a program of only $195,000,000 shall be*
18 *announced unless or until the Secretary has announced, as*
19 *a condition of eligibility for price support, limitations on the*
20 *use of land being diverted from crops under acreage allotments*
21 *in 1955,* and formulated on the basis of a distribution
22 of the funds available for payments and grants among
23 the several States in accordance with their conservation
24 needs as determined by the Secretary, except that the
25 proportion allocated to any State shall not be reduced more

1 than 15 per centum from the distribution for the next preced-
2 ing program year, and no participant shall receive more than
3 $1,500 (20): *Provided, That the funds available for payments*
4 *and grants from said sum of $195,000,000 shall be dis-*
5 *tributed among the several States in the same proportion as*
6 *the original allocation of funds for payments and grants*
7 *for the 1954 agricultural conservation program*); but the
8 payments or grants under such programs shall be condi-
9 tioned upon the utilization of land with respect to which
10 such payments or grants are to be made in con-
11 formity with farming practices which will encourage and
12 provide for soil-building and soil- and water-conserving prac-
13 tices in the most practical and effective manner and adapted
14 to conditions in the several States, as determined and ap-
15 proved by the State committees appointed pursuant to section
16 8 (b) of the Soil Conservation and Domestic Allotment Act,
17 as amended (16 U. S. C. 590h (b)), for the respective
18 States: *Provided further*, That not to exceed 5 per centum of
19 the allocation for the 1955 agricultural conservation program
20 for any county may, on the recommendation of such county
21 committee and approval of the State committee, be withheld
22 and allotted to the Soil Conservation Service for services of
23 its technicians in formulating and carrying out the agricultural
24 conservation program in the participating counties, and the
25 funds so allotted may be placed in a single account for each

1 State, and shall not be utilized by the Soil Conservation
2 Service for any purpose other than technical and other
3 assistance in such counties: *Provided further*, That for the
4 1955 program $2,500,000 shall be available for technical
5 assistance in formulating and carrying out agricultural con-
6 servation practices and $1,000,000 shall be available for
7 conservation practices related directly to flood prevention
8 work in approved watersheds: *Provided further*, That in
9 carrying out the 1955 program the Secretary shall give
10 particular consideration to the conservation problems on farm
11 lands diverted from crops under acreage-allotment programs:
12 *Provided further*, That such amounts shall be available for the
13 purchase of seeds, fertilizers, lime, trees, or any other farming
14 material, or any soil-terracing services, and making grants
15 thereof to agricultural producers to aid them in carrying out
16 farming practices approved by the Secretary under programs
17 provided for herein: *Provided further*, That no part of any
18 funds available to the Department, or any bureau, office, cor-
19 poration, or other agency constituting a part of such Depart-
20 ment, shall be used in the current fiscal year for the payment
21 of salary or travel expenses of any person who has been con-
22 victed of violating the Act entitled "An Act to prevent perni-
23 cious political activities", approved August 2, 1939, as
24 amended, or who has been found in accordance with the
25 provisions of title 18, United States Code, section 1913, to

1 have violated or attempted to violate such section which
2 prohibits the use of Federal appropriations for the payment
3 of personal services or other expenses designed to influence
4 in any manner a Member of Congress to favor or oppose any
5 legislation or appropriation by Congress except upon request
6 of any Member or through the proper official channels.

7 AGRICULTURAL MARKETING SERVICE

8 MARKETING RESEARCH AND SERVICE

9 For expenses necessary to carry on research and service
10 to improve and develop marketing and distribution relating to
11 agriculture as authorized by the Agricultural Marketing Act
12 of 1946 (7 U. S. C. 1621–1627) and other laws, including
13 the administration of marketing regulatory acts connected
14 therewith:

15 Marketing research and agricultural estimates: For re-
16 search and development relating to agricultural marketing
17 and distribution, for analyses relating to farm prices, income
18 and population, and demand for farm products, and for crop
19 and livestock estimates; $10,215,000: *Provided*, That no
20 part of the funds herein appropriated shall be available for
21 any expense incident to ascertaining, collating, or publishing
22 a report stating the intention of farmers as to the acreage to
23 be planted in cotton, or for estimates of apple production
24 for other than the commercial crop.

25 Marketing services: For services relating to agricultural

1 marketing and distribution, for carrying out regulatory acts
2 connected therewith, and for administration and coordination
3 of payments to States; (21)~~$11,463,500~~ *$11,675,500*, in-
4 cluding not to exceed $25,000 for employment at rates not to
5 exceed $100 per diem, pursuant to the second sentence of
6 section 706 (a) of the Organic Act of 1944 (5 U. S. C.
7 574), as amended by section 15 of the Act of August 2,
8 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to
9 201 (d), inclusive, of title II of the Agricultural Adjust-
10 ment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of
11 the Agricultural Marketing Act of 1946 (22)*: Provided,*
12 *That, the Secretary shall establish two additional cotton class-*
13 *ing offices in the southern half of Mississippi, one to be located*
14 *at Prentiss, in Jefferson Davis County, and one to be*
15 *located at Hattiesburg in Forrest County: Provided further,*
16 *That the Secretary shall establish an additional cotton class-*
17 *ing office at Batesville, Panola County, in the northern half*
18 *of Mississippi.*

19 PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

20 For payments to departments of agriculture, bureaus
21 and departments of markets and similar agencies for market-
22 ing activities under section 204 (b) of the Agricultural
23 Marketing Act of 1946 (7 U. S. C. 1623 (b)), $900,000.

REPAYMENT TO COMMODITY CREDIT CORPORATION

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing services", fiscal year 1953 (including interest thereon through June 30, 1954), pursuant to authority contained under the head "Marketing services" in the Department of Agriculture Appropriation Act, 1952 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), $441,655.

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751–1760), (23)~~$83,464,000~~ *$83,236,197*: *Provided,* That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act.

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, $965,000.

1 COMMODITY EXCHANGE AUTHORITY

2 For necessary expenses to carry into effect the provisions
3 of the Commodity Exchange Act, as amended (7 U. S. C.
4 1–17a), $673,000.

5 COMMODITY STABILIZATION SERVICE

6 AGRICULTURAL ADJUSTMENT PROGRAMS

7 For necessary expenses to formulate and carry out acre-
8 age allotment and marketing quota programs pursuant to
9 provisions of title III of the Agricultural Adjustment Act of
10 1938, as amended (7 U. S. C. 1301–1393), (24)~~$40,000,~~
11 ~~000~~ *$41,750,000*, of which not more than $5,500,000 shall
12 be transferred to the appropriation account "Administrative
13 expenses, section 392, Agricultural Adjustment Act of
14 1938": *Provided,* That $3,500,000 of this appropriation
15 shall be placed in reserve to be apportioned for use pursuant
16 to section 3679 of the Revised Statutes, as amended, to the
17 extent necessary for carrying out marketing quotas for the
18 1955 crop of wheat.

19 SUGAR ACT PROGRAM

20 For necessary expenses to carry into effect the provisions
21 of the Sugar Act of 1948 (7 U. S. C. 1101–1160),
22 $59,600,000, to remain available until June 30 of the next
23 succeeding fiscal year: *Provided,* That expenditures (includ-
24 ing transfers) from this appropriation for other than pay-
25 ments to sugar producers shall not exceed (25)~~$1,392,000~~

1 *$1,440,000,* of which $77,000 shall be placed in reserve
2 to be apportioned pursuant to section 3679 of the Revised
3 Statutes, as amended, for use as may become necessary for
4 applying restrictive proportionate shares on the 1955 beet
5 crop.

6 FEDERAL CROP INSURANCE CORPORATION

7 For operating and administrative expenses, (26) ~~$5,~~
8 ~~700,000~~ *$6,200,000.*

9 RURAL ELECTRIFICATION ADMINISTRATION

10 To carry into effect the provisions of the Rural Electrifi-
11 cation Act of 1936, as amended (7 U. S. C. 901–924), as
12 follows:

13 LOAN AUTHORIZATIONS

14 For loans in accordance with said Act, and for carrying
15 out the provisions of section 7 thereof, to be borrowed from
16 the Secretary of the Treasury in accordance with the pro-
17 visions of section 3 (a) of said Act as follows: Rural elec-
18 trification program, (27) ~~$100,000,000~~ *$135,000,000*; and
19 rural telephone program, $75,000,000; and additional
20 amounts, not to exceed $35,000,000 for the rural electrifica-
21 tion program, may be borrowed under the same terms and
22 conditions to the extent that such additional amounts are
23 required during the fiscal year 1955, under the then existing
24 conditions, for the expeditious and orderly development of
25 the program.

1 SALARIES AND EXPENSES

2 For administrative expenses, including not to exceed
3 $500 for financial and credit reports, and not to exceed
4 $75,000 for employment pursuant to the second sentence
5 of section 706 (a) of the Organic Act of 1944 (5 U. S. C.
6 574), as amended by section 15 of the Act of August 2,
7 1946 (5 U. S. C. 55a), $7,285,000.

8 FARMERS' HOME ADMINISTRATION

9 To carry into effect the provisions of titles I, II, and
10 the related provisions of title IV of the Bankhead-Jones
11 Farm Tenant Act, as amended (7 U. S. C. 1000–1031);
12 the Farmers' Home Administration Act of 1946 (7 U. S. C.
13 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C.
14 Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946
15 (40 U. S. C. 436–439); the Act of August 28, 1937, as
16 amended (16 U. S. C. 590r–590x, 590z–5), for the develop-
17 ment of facilities for water storage and utilization in the arid
18 and semiarid areas of the United States; the provisions of
19 title V of the Housing Act of 1949 (42 U. S. C. 1471–
20 1483), as amended by the Housing Act of 1952 (Public
21 Law 531, approved July 14, 1952), relating to financial
22 assistance for farm housing; the Rural Rehabilitation Cor-
23 poration Trust Liquidation Act, approved May 3, 1950 (40
24 U. S. C. 440–444); the items "Loans to farmers, 1948 flood
25 damage" in the Act of June 25, 1948 (62 Stat. 1038), and

"Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U. S. C. 590y, z1 and z10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033–1039), as follows:

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $19,000,000, of which not to exceed $5,000,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, (28)~~$120,000,000~~ *$122,500,000*; the Act of August 28, 1937, as amended, $6,500,000: *Provided,* That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with

1 the provisions set forth under this head in the Department of
2 Agriculture Appropriation Act, 1952.

3 SALARIES AND EXPENSES

4 For making, servicing, and collecting loans and insured
5 mortgages, the servicing and collecting of loans made under
6 prior authority, the liquidation of assets transferred to Farm-
7 ers' Home Administration, and other administrative expenses,
8 (29)~~$23,750,000~~ *$22,550,000,* together with a transfer of
9 not to exceed $400,000 of the fees and administrative ex-
10 pense charges made available by subsections (d) and (e) of
11 section 12 of the Bankhead-Jones Farm Tenant Act, as
12 amended.

13 OFFICE OF THE SOLICITOR

14 For necessary expenses, including payment of fees or dues
15 for the use of law libraries by attorneys in the field service,
16 (30)~~$2,000,000~~ *$2,060,000,* together with such amounts
17 from other appropriations or authorizations as are provided in
18 the schedules in the budget for the current fiscal year
19 for such expenses, which several amounts not exceeding a total
20 of $300,000 shall be transferred to and made a part of this
21 appropriation.

22 OFFICE OF THE SECRETARY

23 For expenses of the Office of the Secretary of Agriculture,
24 including the purchase of one passenger motor vehicle for
25 replacement only; expenses of the National Agricultural

Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; (31)~~$2,050,000~~ *$2,110,000*, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such services and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of $84,280, shall be transferred to and made a part of this appropriation.

OFFICE OF INFORMATION

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, (32)~~$1,180,400~~ *$1,196,000*, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of $16,014 shall be transferred to and made a part of this appropriation, of which total appropriation not to exceed (33)~~$324,000~~ *$537,000* may be used for farmers' bulletins, which shall be adapted to the

1 interests of the people of the different sections of the country,
2 an equal proportion of four-fifths of which shall be delivered
3 to or sent out under the addressed franks furnished by the
4 Senators, Representatives, and Delegates in Congress, as
5 they shall direct (7 U. S. C. 417) and not less than two
6 hundred thirty thousand eight hundred and fifty copies for
7 the use of the Senate and House of Representatives of part 2
8 of the annual report of the Secretary (known as the Year-
9 book of Agriculture) as authorized by section 73 of the Act
10 of January 12, 1895 (44 U. S. C. 241) : *Provided,* That in
11 the preparation of motion pictures or exhibits by the Depart-
12 ment, not exceeding a total of $10,000 may be used for
13 employment pursuant to the second sentence of section 706
14 (a) of the Organic Act of 1944 (5 U. S. C. 574), as
15 amended by section 15 of the Act of August 2, 1946 (5 U.
16 S. C. 55a) : *Provided further,* That no part of this appro-
17 priation shall be used for the establishment or maintenance
18 of regional or State field offices, or for the compensation of
19 employees in such offices.

20 LIBRARY

21 For necessary expenses, including dues for library mem-
22 bership in societies or associations which issue publications to
23 members only or at a price to members lower than to sub-
24 scribers who are not members, $659,950.

1 TITLE II—CORPORATIONS

2 The following corporations and agencies are hereby au-
3 thorized to make such expenditures, within the limits of funds
4 and borrowing authority available to each such corpora-
5 tion or agency and in accord with law, and to make such con-
6 tracts and commitments without regard to fiscal year limi-
7 tations as provided by section 104 of the Government Corpo-
8 ration Control Act, as amended, as may be necessary in
9 carrying out the programs set forth in the budget for the
10 fiscal year 1955 for such corporation or agency, except as
11 hereinafter provided:

12 Federal Crop Insurance Corporation: *Provided,* That
13 the direct costs of loss adjusters for crop inspections and loss
14 adjustments may be considered as nonadministrative or
15 nonoperating expenses.

16 Commodity Credit Corporation: Nothing in this Act
17 shall be so construed as to prevent the Commodity Credit
18 Corporation from carrying out any activity or any program
19 authorized by law: *Provided,* That not to exceed $18,000,-
20 000 shall be available for administrative expenses of the
21 Corporation: *Provided further,* That all necessary expenses
22 (including legal and special services performed on a contract
23 or fee basis, but not including other personal services) in
24 connection with the acquisition, operation, maintenance,

1 improvement, or disposition of any real or personal property
2 belonging to the Corporation or in which it has an interest,
3 including expenses of collections of pledged collateral, shall
4 be considered as nonadministrative expenses for the purposes
5 hereof.

6 TITLE III—SPECIAL ACTIVITIES

7 RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL
8 MATERIALS

9 For expenses necessary to carry out section 7 (b) of the
10 Strategic and Critical Materials Stock Piling Act of July 23,
11 1946 (50 U. S. C. 98f), $331,500: *Provided,* That
12 this appropriation shall be subject to applicable provisions
13 contained in the item "Salaries and expenses, Agricultural
14 Research Service".

15 TITLE IV—FARM CREDIT ADMINISTRATION

16 Administrative expenses: For necessary expenses, in-
17 cluding services as authorized by section 15 of the Act of
18 August 2, 1946 (5 U. S. C. 55a), the assessments heretofore
19 and hereafter collected from the Federal land banks and
20 other farm credit agencies, to remain available until ex-
21 pended: *Provided,* That not to exceed $2,320,000 shall be
22 obligated during the current fiscal year for such expenses.

23 Federal Farm Mortgage Corporation: Not to exceed
24 $650,000 (to be computed on an accrual basis) of the funds
25 of the Corporation shall be available for administrative ex-

1 penses, including employment on a contract or fee basis of
2 persons, firms, and corporations for the performance of
3 special services, including legal services, and the use of the
4 services and facilities of Federal land banks, National farm
5 loan associations, Federal Reserve banks, and agencies of
6 the Government as authorized by the Act of January 31,
7 1934 (12 U. S. C. 1020–1020h); and said total sum shall
8 be exclusive of services and facilities furnished and examina-
9 tions made by the Farm Credit Administration central office,
10 interest expense, and expenses in connection with the acqui-
11 sition, operation, maintenance, improvement, protection, or
12 disposition of real or personal property belonging to the
13 Corporation or in which it has an interest: *Provided*, That
14 promptly after June 30 of each fiscal year all cash funds in
15 excess of the estimated operating requirements for the cur-
16 rent fiscal year shall be declared as dividends and paid into
17 the general fund of the Treasury: *Provided further*, That
18 the aggregate amount of bonds the Corporation may issue
19 and have outstanding at any one time shall not exceed
20 $500,000,000.

21 Federal intermediate credit banks: Not to exceed
22 $1,740,000 (to be computed on an accrual basis) of the
23 funds of the banks shall be available for administrative ex-
24 penses, including the purchase of not to exceed two passenger
25 motor vehicles for replacement only, and services performed

1 for the banks by other Government agencies (except services
2 and facilities furnished and examinations made by the Farm
3 Credit Administration central office, and services performed
4 by any Federal Reserve bank and by the United States
5 Treasury in connection with the financial transactions of the
6 banks); and said total sum shall be exclusive of interest
7 expense, legal and special services performed on a contract
8 or fee basis, and expenses in connection with the acquisition,
9 operation, maintenance, improvement, protection, or dis-
10 position of real or personal property belonging to the banks
11 or in which they have an interest.

12 Production credit corporations; Not to exceed $1,540,-
13 000 (to be computed on an accrual basis) of the funds
14 of the corporation shall be available for administra-
15 tive expenses, including the purchase of not to exceed
16 five passenger motor vehicles for replacement only, and
17 services performed for the corporations by other Government
18 agencies (except services and facilities furnished and exam-
19 inations made by the Farm Credit Administration central
20 office); and said total sum shall be exclusive of interest
21 expense, legal and special services performed on a contract
22 or fee basis, and expenses in connection with the acquisition,
23 operation, maintenance, improvement, protection, or dis-
24 position of real or personal property belonging to the
25 corporations or in which they have an interest.

TITLE V—GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed (34)~~500~~ *621* passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to (1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service of the Department for periods of not more than sixty days; and (3) employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. Of appropriations herein made which are available for the purchase of lands, not to exceed $1 may be expended for each option to purchase any particular tract or tracts of land.

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bu-

1 reau thereof, issues, or causes to be issued, any prediction,
2 oral or written, or forecast, except as to damage threatened
3 or caused by insects and pests, with respect to future prices
4 of cotton or the trend of same.

5 SEC. 505. Except to provide materials required in or
6 incident to research or experimental work where no suitable
7 domestic product is available, no part of the funds appro-
8 priated by this Act shall be expended in the purchase of twine
9 manufactured from commodities or materials produced outside
10 of the United States.

11 SEC. 506. Not less than $1,500,000 of the appropriations
12 of the Department for research and service work authorized
13 by the Act of August 14, 1946 (7 U. S. C. 427, 1621–
14 1629) shall be available for contracting in accordance with
15 said Act.

16 SEC. 507. No part of any appropriation contained in
17 this Act, or of the funds available for expenditure by any
18 corporation included in this Act, shall be used to pay the
19 salary or wages of any person who engages in a strike against
20 the Government of the United States or who is a member
21 of an organization of Government employees that asserts the
22 right to strike against the Government of the United States,
23 or who advocates, or is a member of an organization that
24 advocates, the overthrow of the Government of the United
25 States by force or violence: *Provided*, That for the purposes

1 hereof an affidavit shall be considered prima facie evidence
2 that the person making the affidavit has not contrary to the
3 provisions of this section engaged in a strike against the
4 Government of the United States, is not a member of an
5 organization of Government employees that asserts the right
6 to strike against the Government of the United States, or
7 that such person does not advocate, and is not a member of
8 an organization that advocates, the overthrow of the Govern-
9 ment of the United States by force or violence: *Provided*
10 *further*, That any person who engages in a strike against
11 the Government of the United States or who is a member of
12 an organization of Government employees that asserts the
13 right to strike against the Government of the United States,
14 or who advocates, or who is a member of an organization
15 that advocates, the overthrow of the Government of the
16 United States by force or violence and accepts employment
17 the salary or wages for which are paid from any appropria-
18 tion or fund contained in this Act shall be guilty of a felony
19 and, upon conviction, shall be fined not more than $1,000
20 or imprisoned for not more than one year, or both: *Provided*
21 *further*, That the above penalty clause shall be in addition
22 to, and not in substitution for, any other provisions of exist-
23 ing law: *Provided further*, That nothing in this section shall
24 be construed to require an affidavit from any person em-
25 ployed for less than sixty days for sudden emergency work

1 involving the loss of human life or destruction of property,
2 the payment of salary or wages may be made to such persons
3 from applicable appropriations for services rendered in such
4 emergency without execution of the affidavit contemplated
5 by this section.

6 SEC. 508. No part of any appropriation contained in
7 this Act or of the funds available for expenditure by any
8 corporation or agency included in this Act shall be used for
9 publicity or propaganda purposes to support or defeat legis-
10 lation pending before the Congress.

11 SEC. 509. Appropriations of the Department available
12 for research and service work authorized by the Act of
13 August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629)
14 shall be available for expenses of any advisory committee
15 established as provided in title III of said Act to assist in
16 effectuating the research and service work of the Department.

17 (35)*SEC. 510. No part of any appropriation contained in*
18 *this or any other Act, or of the funds available to any cor-*
19 *poration or agency included in this Act or available to any*
20 *corporation or agency which utilizes funds appropriated or*
21 *borrowed on the credit of the United States, shall be used to*
22 *make or guarantee (1) any loan for the construction or ac-*
23 *quisition of facilities for broiler production; or (2) any*
24 *loan for the expansion of broiler production operations; or*
25 *(3) any loan in excess of $3,000 for the continuation of*

1 *broiler production operations or the repair of broiler pro-*
2 *duction facilities.*

3 This Act may be cited as the "Department of Agriculture
4 (36) *and Farm Credit Administration* Appropriation Act,
5 1955".

Amend the title so as to read: "An Act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes."

Passed the House of Representatives April 14, 1954.

Attest: LYLE O. SNADER,
Clerk.

Passed the Senate with Amendments June 2 (legislative day, May 13), 1954.

Attest: J. MARK TRICE,
Secretary.

83D CONGRESS
2D SESSION

H. R. 8779

AN ACT

Making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1954

Ordered to be printed with the amendments of the Senate numbered

rubber tappers union is a 30-year-old Indian, J. P. Narayanan—one of Brazier's protegé, a man whose influence is on the side of the free world and whose voice will be an important one in shaping Asian policies in the years ahead. These Malayan labor leaders face all the difficulties that American labor faced in its early years. At one time in our history it was not unusual for a labor leader to be denounced as an anarchist or a Socialist. Today, it is common in Malaya to hear a Britisher managing a rubber estate or a Chinese running a tin mine to denounce all labor leaders as Communists.

Malayan labor not only carries that burden; it also faces the threats of Communist terror. That threat is not an idle one. The Communists strike with vengeance against Brazier's men. In 1952 they killed 13 of his union officers. These were mostly men who were making the rounds of rubber plantations collecting dues. One victim was a 40-year-old Indian by the name of Subrammaniam. While he was collecting dues this year from the rubber tappers near Kuala Lumpur, the guerrillas swarmed out of the jungle and seized him. They tied him to a rubber tree, his hands above his head, and bound them fast to the trunk. They called the tappers and fieldworkers to gather around. They then cut off his hands with a sharp machete, pointing out that that will happen to any hands that collect money for the imperialists.

Brazier is trying to teach Malayan labor what Hillman helped teach American labor—that management and labor have a common cause to serve and that class warfare need not be the fate of man. He has had great success to date. He has inculcated the democratic tradition in Malayan labor ranks. He has demonstrated that even illiterate, uninformed, downtrodden, and exploited people (as Malayan labor certainly has been) need not be victims of the Communist cause, that they can be saved from the fate of battalions that preach hate, intolerance, and class warfare.

The experience in Burma has been similar. Burma has been as severely torn by civil war as any nation in the world. Following the grant of its independence from England in 1948 large and powerful dissident elements (mostly but not exclusively communistic) seized large areas of the country and held them. They had their own courts, they collected taxes, they passed laws, they formed labor unions, and they imposed a tight regime on the people. Rangoon and Mandalay were largely islands that were isolated from the rest of the country.

The government of Prime Minister U Nu has worked wonders. It has not outlawed the Communist Party nor its front, the Burmese Workers and Peasants Party. It has, however, met force with force and adopted a broad program of economic and social reconstruction, which it calls the welfare state.

Labor has received a charter of liberty written into the Burmese Constitution. The constitution makes it the duty of the state to secure to workers the right of association, to limit their hours of work, and to insure them annual holidays and an improvement in their working conditions. It undertakes to guarantee the right to work and the right to maintenance on account of old age or sickness or loss of capacity to work and the right to rest and leisure. In contrast to these guaranties, it has a provision, strange to us, which authorizes the state to impose compulsory service for public purposes without any discrimination on grounds of birth, race, religion, or class.

Some of Burma's labor leaders have been educated by Brazier in Malaya. Others have been educated by cold experience, some by American experts. The labor movement in Burma is young and the leadership is not yet steeped in the traditions of trade unionism. But it has swung sharply away from the Communist school of thought. There are today about 70,000 workers, or 30 percent of Burma's labor, organized in trade unions. Of these 70,000 union members the Communist unions claim only 2,000. The Communist influence in the government of U Nu is negligible. In the elections of last year, they won less than 4 percent of the seats in the parliament.

There is a complex of reasons for the decline of the Communist influence in Burma. The Burmese labor front is one of them. The attitudes and practices of labor in Burma illustrate that the Marxist doctrine of the inevitability of class warfare is no enduring principle even for a people living under Russia's shadow, that a human welfare state offers opportunities no Marxist state can duplicate, that labor can be a powerful, cohesive force in uniting a people under program that makes human dignity, human worth, and civil liberties the aim and object of government.

The philosophy which Sidney Hillman espoused is shaping the destiny of the peoples of Asia who never heard his name. American labor traditions are beginning to be honored in the miserable labor lines of Asia. The effect on feudal Asia promises to be revolutionary. For the foremost teaching of the American labor leader is that once the conspiracy theory of government is rejected, men of good will can design a system that leaves room for all the vast diversities man needs, if he is to realize the destiny God has fashioned for him.

SLUM CLEARANCE AND URBAN REDEVELOPMENT PROGRAM UNDER THE HOUSING AND HOME FINANCE AGENCY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two letters which I, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, have written to the Honorable Albert M. Cole, Administrator of the Housing and Home Finance Agency, requesting certain information.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 26, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and acting under authority of section 601 of the Revenue Act of 1941, I am requesting at your earliest convenience the following information with respect to the slum clearance and urban redevelopment program under the Housing and Home Finance Agency pursuant to the Housing Act of 1949:

1. Total Federal grant authorizations, commitments, and disbursement in dollars under this program to date.

2. Total Federal loan authorizations, commitments, and advancements in dollars under this program to date.

3. Total number of projects approved to date, with estimates as to (a) the total ultimate cost to the Federal Government in grants, (b) the ultimate total of Federal loans they will acquire, and (c) the ultimate total of new capital outlays by local governments they will require.

4. The extent to which Federal Housing Administration has insured loans for projects located in slum-clearance and redevelopment areas where the Federal Government has paid or will pay two-thirds or more of the net cost (loss); and identification of slum-clearance and urban-redevelopment projects where there are or will be structures for which FHA has insured loans under any of its dozen or more programs.

5. A statement as to the legality of Federal payment of more than two-thirds of the net cost (loss) on one or more slum-clearance and urban-redevelopment projects under a given local public agency having still other projects under its jurisdiction, providing the aggregate Federal payments on all the projects do not exceed two-thirds of the net cost (loss) on all the projects; and identification of any projects where this has occurred or may be expected.

6. A statement as to whether any loans are being made under section 102 (b) for public buildings and facilities in open project areas; with identification of any recently approved.

7. A statement as to the possibility that "local public agencies" are charging or may charge the cost of schools, firehouses, libraries, and other municipal buildings, including coliseums, stadiums, swimming pools, etc., into the gross cost of a slum-clearance and redevelopment project in such a manner as to require the Federal Government to subsidize them by means of paying two-thirds of the net cost (loss) on all projects under the local public agency.

8. A statement as to the extent to which the Federal Government would subsidize the proposed new New York Coliseum in the Columbus Circle project through its loss grant for the land, etc.; and a statement as to whether the Housing and Home Finance Agency has concurred in this proposed use of land in this project.

9. The Housing and Home Finance Agency, according to the Slum Clearance Manual, page 2, part 2, chapter 7, section 1, will concur in fair but not unreasonable prices for the acquisition of land, and require local public agencies to prevent excessive prices for the acquisiton of land. Is there a formal requirement in the law or in HHFA policies or regulations for fair but not excessively low sale prices for disposition of the land?

10. The Washington Square Southeast Slum Clearance Report by the New York Committee on Slum Clearance, dated August 1953, page 57, under the heading "Acquisition Appraisal," says that in this project acquisition of the property would cost an average of $19.88 per square foot. The same report, on page 59, under the heading "Resale Appraisal," says it has been estimated that the resale of the land in its present condition would average approximately $9.47 per square foot or $12.47 per square foot if cleared. Has the Housing and Home Finance Agency concurred in the development of this project at these purchase and sale averages, or otherwise?

11. Under what specific language in the law would the Housing and Home Finance Agency concur in a project, such as the one in Alexandria, Va., where private property would be taken from one private owner for disposition to another private owner strictly for commercial or industrial use?

12. A statement, based on the experience of the Housing and Home Finance Agency, as to the extent to which "the local public agencies," for all practical purposes, act independently of local governmental bodies which are responsible to the people in fixing purchase and sale prices.

13. A statement as to the extent to which the Housing and Home Finance Agency has drafted, or used its influence in the drafting of, enabling acts for passage by State legislatures, ordinances for passage by local governments, resolutions, etc., for adoption by "local public agencies," city governments, etc., as described on page IX of the Slum Clearance and Urban Redevelopment Manual

published by the HHFA, Office of the Administrator.

14. A statement as to whether the Housing and Home Finance Agency encourages or condones the organization of local and State housing and redevelopment officials.

Very truly yours,

HARRY F. BYRD, *Chairman.*

MAY 28, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: This letter may be regarded as an extension of my letter to you dated May 26, 1954, requesting information with respect to the Federal slum clearance and urban redevelopment program.

As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and acting under authority of section 601 of the Revenue Act of 1941, I am requesting at your earliest convenience the following additional information with respect to the slum clearance and urban redevelopment program under the Housing and Home Finance Agency pursuant to the Housing Act of 1949:

1. A statement based on your best information as to whether prices paid for the purchase of land have been increased in any instances to avoid litigation.

2. The number and location of cases which have required court action along with a statement as to the question involved, and the disposition or status in each case.

3. A statement as to the safeguards established by Housing and Home Finance Agency to preclude collusion and other exploitation of the program; and a list of collusion or exploitation cases known to date.

4. A statement as to whether there is any Housing and Home Finance Agency policy with respect to preference as between redevelopment by local and outside interests.

5. An estimate of the percentage of area taken under this program which has been and is to be utilized for residential housing, commercial establishments, industrial plants, strictly public buildings for free common use, such as schools, firehouses, police stations, etc., for institutional use, such as colleges, libraries, etc., recreational and exhibit use, such as playgrounds, swimming pools, stadiums, coliseums, etc.

6. An estimate of expenditures to date by (a) the Federal Government, (b) State governments, and (c) local governments on projects which have been abandoned and which apparently will not materialize.

Very truly yours,

HARRY F. BYRD, *Chairman.*

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The PRESIDING OFFICER (Mr. BEALL in the chair). The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MANSFIELD. Mr. President, I should like to ask the distinguished chairman of the Subcommittee on Agricultural Appropriations whether the pending appropriation bill contains any provision relative to the mosquito project on the Milk River in Montana. I cannot find any reference to the project in the bill; neither can I find any reference to it in the hearings.

Mr. YOUNG. I am happy to inform the Senator from Montana that there is an item in the bill under the heading "Agricultural Research Service," at page 2, line 24 of the bill, which includes approximately $5,000, to provide one man for research studies with respect to the disposal of excess irrigation water in the Milk River Valley, Mont. I believe that will take care of the situation to which the Senator from Montana has referred.

Mr. MANSFIELD. I thank the Senator. My question has been answered fully and satisfactorily.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] on behalf of himself and other Senators.

Mr. MONRONEY. Mr. President, I wish to speak briefly in behalf of the pending amendment, the purpose of which is to restore the amount of money which is now available to the Rural Electrification Administration under this year's appropriation.

I know of no program which Congress has devised that meets with such overwhelming approval on the part of the people it serves, the farmers of the Nation, as does rural electrification.

Mr. President, the rural-electrification program not only meets with the practically unanimous approval of the farmers of the Nation whom it serves on the far-stretched lines through the 48 States, but it meets with the universal approval of most of the business communities and other segments of our economy which have learned about this great development and the purpose which it serves.

When the program was started in 1936, 90 percent of the farm homes of America were in the darkness of the 19th century. Kerosene lamps, old wells with cranks, and lack of any modern improvements were not the exception on the American farm but the rule. In a few short years we have changed that situation. Today, instead of 90 percent of the farm homes being in the darkness of the 19th century, more than 90 percent of them are in the brilliant, electric-lighted era of the 20th century. Not only has the program changed the way of life of the typical American farmer, but it has removed the drudgery that killed in their youth many of the farm wives of America. The modern conveniences now available in farm homes through the REA program rival the modern appliances found in city homes.

In the development of the REA program there have been created more than $2½ billion worth of new construction because this program was brought into being. New lines have been built. Construction work was done by private industry and by private contractors. All of it contributes to the flow into rural areas of industrial goods which are produced in factories in Detroit, Pittsburgh, Schenectady, and in other great industrial centers of our America.

For every $1 of the $2½ billion which were made available through low-interest loans, there have been created more than $10 in new business which have gone into homes and on the farms for appliances and modern machinery. All this would not have been possible had not the Government had the courage and foresight to inaugurate the REA program.

On every rural electrification co-op I know of the demand for power is growing heavier and heavier. Farmers not only use electricity to provide labor-saving conveniences in their homes, but they use it in many forms, such as electrical machinery, in the production of food and fiber.

As a result, hundreds of thousands of miles of lines which originally were built to carry the small amount of electricity which at one time was adequate to supply the needs of the farmers must be rewired; heavier wire and heavier posts and larger transformers must be provided in order that the lines may be able to meet the new demand which has been created by the REA program.

At this point in the REA program I believe it would be pennywise and pound-foolish to fail to appropriate the same amount of money for REA which was appropriated last year. That would be the effect of our action if we turned down the Douglas amendment, which would add $35 million to the REA bank, so to speak, for the purpose of lending the money for qualified projects and for the expansion and modernization and improvement of the existing REA systems.

Mr. President, it should be noted that the REA program does not cost the Government any money. The money that is loaned is being returned at 2 percent interest. I know the Senate is as proud as I am of the fact that the REA loans are being paid back ahead of time. We are losing practically no money by way of default on REA loans. Moreover, the amounts that have been repaid in advance of the due dates on such loans aggregate several million dollars.

Therefore I do not believe we should restrict the administration of REA under Mr. Nelson, who is doing the best job possible in trying to expand rural electrification and in providing the sinews in the form of electric current and power which the farmers need and for which they are waiting.

Therefore, since the money can be loaned only to REA's which qualify under the pattern which has been followed for many years, I believe the $35 million in additional funds should be added to the bill. If REA's do not need nor qualify for loans, the money will be returned to the Federal Government. However, if Congress should adjourn, and it should develop that REA is $35 million short of the actual needs of the cooperatives, we would be postponing for a year at least meeting of the vital needs of our farms for electricity. Therefore I hope that the Senate today will restore the amount provided in last year's appropriations by approving the Douglas amendment.

In that way we shall be able to continue to tell the farmers of America that we are proud of the job they are doing in operating the farm-owned and farm-managed electric systems, as they are proud of the fact that they have been able in many cases to pay back the money loaned to them before the loans were due for repayment.

Mr. STENNIS. Mr. President, seldom does the Senate have before it a proposal which is so sound as is appropriation of funds for REA. In the first place, it does not involve the spending of money but the mere lending of money. In the next place, the money does not have to be used. It is not loaned unless there is a reasonable need in the case of a given project. The program goes to the very heart of our economy not only as it affects our rural poplation but also the electrical manufacturing industry—the manufacturers of wires and appliances and facilities of all kinds.

Furthermore the program makes the farmers, who constitute a most important segment of our economy, greater producers because of the use of more electrical machinery, and brings to them a new way of life. This means much to all the rural areas, particularly the South, and especially Mississippi, which on an area basis and on a population basis has benefited more than has any other State in the Union.

I have noticed that after some of the REA's became well established they also became a little slow in wanting to extend the lines. It is just as dark beyond the end of the line at this time as it was before the advent of REA. The persons who live in that area need the electrical facilities the hot wires would make available to them. They need just as much a better way of life, a better outlook, and better preparation for life as do those who have such electrical facilities. I think Congress should encourage the Administrator and, right on down the line, the operators, managers of the local REA's, and the board of directors to go forward, while conditions permit, and extend the lines to the farthest reasonable point to which they can be carried and thus tie in our entire economy and our people with this movement.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississsippi yield?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Is it not a fact that every cent which has been expended for rural electrification has been paid back with interest in every instance?

Mr. STENNIS. The Senator is correct. It has proved to be one of the soundest business propositions in America. A few years ago it was thought to be unsound from a financial standpoint.

Mr. JOHNSTON of South Carolina. And in paying its own way, so to speak, it has helped to build up our country a great deal. Is not that correct?

Mr. STENNIS. The Senator is entirely correct. I do not think there is anything comparable to what has been accomplished through the activities of the REA.

Mr. JOHNSTON of South Carolina. It has also accomplished the saving of millions of dollars' worth of produce on the farms which heretofore has gone to ruin.

Mr. STENNIS. The Senator is correct. The farmer raises food and has a deep-freeze unit in which the food is stored for the winter season. Almost all my friends have deep-freeze units.

I remember, Mr. President, when I was in the Mississippi Legislature, in 1928, I was a member of a subcommittee having to do with public utilities. I was fully convinced that the idea of extending lines out into rural areas was unsound and almost unthinkable. We now see what has been done. But still the argument is made that we must not extend too far into sparsely settled areas, or we will encumber our agencies with a load which they will not be able to carry. The way to build up those very areas is to extend the lines.

When I was home last week I was told that the people of the rural areas now have everything the town folks have except telephones, and they are on their way to getting telephones. That statement was made by one of the leaders who helped to build up the community.

Mr. President, if the money is not needed, it does not have to be used. No one is taking a chance. It will be paid back if it is used.

I think we should agree to the amendment of the Senator from Illinois and should thank the Senator from Illinois for offering the amendment.

Mr. HILL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. HILL. I wish to commend the Senator for his statement and to associate myself with him in his advocacy of the amendment offered by the distinguished Senator from Illinois.

I can recall very well an occasion a good many years ago when the House Committee on Military Affairs was considering what was then called Muscle Shoals and is now called TVA. The committee went into the question of rural electrification. There were some representatives of some of the private power companies before the committee. Someone asked them, "Why do you not extend the lines out into the rural areas?" The answer was that it was impossible. The record shows that it is not impossible. The loans have been paid back very promptly. Many of them have been paid back ahead of time. Is not that correct?

Mr. STENNIS. The Senator from Alabama is entirely correct.

Mr. HILL. Let me ask the Senator—and I am sure his answer will be yes—is it not a fact that one of the most important factors in the conservation of our soil and in diversified agriculture and wise land use has been rural electrification? So far as our section is concerned, nothing his contributed more toward making possible the diversification of agriculture and the rebuilding and conserving of our soil than has the REA.

Mr. STENNIS. The Senator is entirely correct. The results of rural electrification are reflected in the schools of the area, in the churches, in the home life, and in all phases of the economy. Rural electrification has contributed greatly to our progress of soil conservation and diversification which bring yearly and lasting benefits to our Nation.

I will say to the Senator from Alabama that I flew over his fine State yesterday, and as I looked down on one community after another I thought about the Senator's long fight for the improvement of the whole area, particularly his fight for rural electrification.

Mr. HILL. Rural electrification has brought refrigeration to the farmers, which has made it possible for them to raise crops which could not successfully be raised in the old days. Nothing has done more than has rural electrification to enable the farmers to get away from the old one-crop system, which did so much to deplete our soil.

Mr. STENNIS. The Senator is entirely correct. The deep-freeze unit is found in the most humble homes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Does the Senator recall what percentage of rural homes were electrified in 1935?

Mr. STENNIS. The Senator, I think, has more accurate figures on that subject than I have. I know the percentage was very small.

Mr. JOHNSTON of South Carolina. I think that in Alabama, South Carolina, and Mississippi only 5 percent of rural homes had electricity in 1935. I think those States today have rural electrification to the extent of 85 percent.

Mr. STENNIS. I thank the Senator from South Carolina for his contribution.

Mr. EASTLAND. Mr. President, will the junior Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. EASTLAND. My colleague well knows that not only has the rural electrification program cost the Federal Government nothing but it has brought the comforts of modern living to the rural areas of the country.

Mr. STENNIS. The Senator is eminently correct.

Mr. EASTLAND. Washington machines, deep-freezers, and all the luxuries of modern life have been made available to rural areas.

Mr. STENNIS. And it has added to the general economy because of the increased activities of industries it has made possible.

Mr. EASTLAND. I desire to associate myself with the very fine remarks the Senator has made, and I certainly endorse the amendment offered by the Senator from Illinois.

Mr. STENNIS. I appreciate the statement of my colleague.

Mr. President, I yield the floor.

Mr. KEFAUVER. Mr. President, I hope the Senate will agree to the amendment offered yesterday by the Senator from Illinois for himself and other Senators to add $35 million to the appropriation for REA.

I wish to congratulate the distinguished Senator from Illinois for sponsoring this amendment. In fact, he scrutinizes all appropriation bills very carefully and has offered many amendments proposing reductions in appropriations, even though a project or projects in his own State might thereby be adversely affected. The fact that he now feels the REA is entitled to an additional $35 million in the public interest commends the amendment very highly.

In this era of multi-billion-dollar expenditures, the additional appropriation seems very small, indeed.

It is not unusual, for instance, for the Department of Defense to contract for some item of armament at more than the entire cost of the REA program for a year. Yet when something like this loan appropriation comes up here in the Congress, we strain and labor over it as if we were destroying the financial solvency of the Nation.

Let us put this REA appropriation in perspective, Mr. President.

Aside from the seven or eight million dollars for salaries and administrative expenses, the money we appropriate for the Rural Electrification Administration goes into a loan fund. In no sense is it a handout or a generous gift to the 1,000 or more rural cooperatives.

Every dime of the money we appropriate for those loans will be paid back into the Treasury of the United States with interest, over periods prescribed by the Congress in the original REA Act.

All that is being sought today is $135 million for this worthwhile, self-liquidating loan program, exactly the same amount as was appropriated last year. In itself, it is little enough.

If Congress were to appropriate enough to cover all of the applications for loans on hand, and also those expected to be made during the next fiscal year, it would be necessary to appropriate $321 million.

For months, I have been pointing out that officials in charge of the REA do not seem to be sympathetic to the principles on which the agency was founded nearly 20 years ago. They have dragged their feet in making loans which Congress expressly authorized, and at the end of this fiscal year there will be almost $50 million left over.

At the same time, there will be a backlog of applications amounting to $67 million.

I am convinced that, had it not been for the complaints which some Senators have made on the floor and elsewhere, REA officials would not have made as many loans as they did.

It seems clear that there is a deliberate attempt to constrict and limit the operations of the agency, and to curtail its service to the locally owned and operated cooperatives which are scattered across the length and breadth of the Nation.

As was pointed out on the floor yesterday, the $192,919,203 Senate committee recommendation for REA was $28 million below the amount provided for REA last year, which in turn was a $24 million reduction from the preceding year.

If the Bureau of the Budget had its way, the amount appropriated would be even lower this year. The Bureau asked for only $55 million of new appropriations, which the House of Representatives wisely raised to $100 million.

The Senate, if it has the same consciousness of the needs of a great program as it has had in the past, will further increase the amount to $135 million, as proposed in the Douglas amendment.

Mr. President, I appreciated the excellent remarks made by the distinguished junior Senator from Mississippi [Mr. STENNIS] with reference to the value of the TVA to the REA operation in his State. I may say that in the State which I have the honor to represent, together with my colleague the distinguished junior Senator from Tennessee [Mr. GORE], the REA program has worked well. The local people take great interest in the operation of REA cooperatives. When loan applications are submitted, they are considered closely before being sent to Washington.

Even though almost 90 percent of the farms of Tennessee are now electrified, there are still pending many sound applications for REA loans. Many persons who want electricity are unable to obtain it.

Not only are the REA loans a sound investment for the Federal Government, in that the money is returned with interest, but they are a sound investment in fuller employment among all the people of the Nation, because with the building of REA lines come the salesmen who sell electrical appliances, including refrigerators, milking machines, television sets, radios, and many other articles of a laborsaving nature and for enjoyment by persons who live in rural areas. The wider distribution of electrical products means greater employment in factories in all sections of the Nation. It means a developing, growing America.

I know of no way in which money could be better invested, not only to help the persons who will be served by the REA powerlines, but also to help keep employment at a high level in the factories of the Nation, than to increase the appropriation in accordance with the amendment offered by the distinguished Senator from Illinois [Mr. DOUGLAS].

The PRESIDING OFFICER (Mr. BEALL in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	Martin
Anderson	Gillette	Maybank
Barrett	Goldwater	McCarthy
Beall	Gore	McClellan
Bennett	Green	Millikin
Bowring	Hayden	Monroney
Bricker	Hendrickson	Morse
Bridges	Hennings	Mundt
Burke	Hickenlooper	Murray
Bush	Hill	Neely
Butler, Md.	Holland	Pastore
Butler, Nebr.	Humphrey	Payne
Byrd	Hunt	Potter
Carlson	Ives	Purtell
Case	Jackson	Robertson
Clements	Jenner	Russell
Cooper	Johnson, Colo.	Saltonstall
Cordon	Johnson, Tex.	Schoeppel
Daniel	Johnston, S. C.	Smith, Maine
Dirksen	Kefauver	Smith, N. J.
Douglas	Kennedy	Sparkman
Duff	Kilgore	Stennis
Dworshak	Knowland	Symington
Eastland	Langer	Watkins
Ellender	Lehman	Welker
Ferguson	Lennon	Wiley
Flanders	Long	Williams
Frear	Malone	Young
Fulbright	Mansfield	

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. McCARRAN] is absent by leave of the Senate.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senate from Illinois for himself and other Senators. On this question the yeas and nays have been ordered.

Mr. YOUNG. Mr. President, there certainly is no intention on the part of the Republican administration to cripple the REA program. It has always looked with great favor upon that program.

In the 80th Congress, when the Republicans controlled the Congress, there was a carryover of $93,969,227 of REA funds on July 1, 1948. That was after the first year of the Republican Congress. On July 1, 1949, the second year of the Republican Congress, there was a carryover of $45,109,430.

In connection with the pending bill the Bureau of the Budget recommended $55 million in new loaning authority for the REA and $35 million in contingency fund authorizations. The House of Representatives voted to increase that amount by $45 million.

Together with the loaning authority and the carryovers, the REA will have available in funds for the fiscal year 1955, $192,919,203, as compared with $221,919,203 for the present fiscal year, and two hundred-and-forty-four-odd-million dollars for the fiscal year 1953.

Mr. President, in the fiscal year 1953, before the present administration, the REA actually loaned $164,972,662. In the fiscal year 1954, it is estimated that the loans will be $165 million. It is also estimated that next year the REA will loan $150 million.

Mr. President, in my opinion, the present Administrator is doing a pretty good job.

At this time I should like to read briefly from the hearings, to give an indication of what the Administrator is doing to dispose of the existing applications for loans. From page 865 of the hearings before the Agricultural Appropriations Subcommittee of the Senate Appropriations Committee, I read the following statement by the REA Administrator:

> The applications on hand have been reduced during the past year. On April 6, 1954, there were 201 electric loan applications on hand totaling approximately $161 million; the total of electric loan applications on hand 1 year earlier was approximately $214 million.

So, Mr. President, it is apparent that the present Administrator is proceeding effectively in the effort to clean up the present loan applications. He believes this bill carries sufficient funds to enable the REA to operate satisfactorily for another year. I share that belief. If I

had not thought so, in the committee I would have made an effort to have this appropriation increased, as I did last year. Last year the Senate increased these funds by $15 million.

Mr. President, I shall vote for the amendment, for two reasons: First, if the additional funds are allowed, the Administrator will not have to loan all the money unless there is a demand for it, and if he does loan it all, the loans will be repaid to the Treasury of the United States. Second, yesterday during the consideration of this appropriation bill, the leadership on this side completely ignored the decision of the Appropriations Committee and voted to increase by $1,500,000 the funds for experiment station research. Yet the Appropriations Committee was unanimous in agreeing that the appropriation recommended by it would be sufficient for payments to the States for research, and not one objection was raised.

Therefore, Mr. President, in order to be fair to all the agricultural interests, I shall vote for the amendment to increase the loaning authority to REA, even though I believe all of it will not be necessary.

Mr. KNOWLAND. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I yield.

Mr. KNOWLAND. I am not sure to whom the statement of the Senator from North Dakota was directed, when he said the leadership had completely ignored the decision or recommendation of the agricultural appropriations subcommittee of the Senate Appropriations Committee, because the majority leader, who is a member of the Appropriations Committee, supported the position both of the subcommittee and of the full committee; and the yea-and-nay vote will show that he did.

Let me say I was impressed by the remarks of the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from Arizona [Mr. HAYDEN], and other Senators, to the effect that if there was ever a case when $1,500,000 of additional funds could be saved, this was the case. I think that was also the view of a number of the other members of the committee, and certainly it was the view of the distinguished senior Senator from New Hampshire [Mr. BRIDGES], the chairman of the full committee, who also voted against the amendment to increase the amount.

So I do not know just whom the Senator from North Dakota has in mind when he refers to the leadership. At any rate, the majority leader supported the committee.

Mr. YOUNG. Mr. President, let me say to my good friend, the senior Senator from California, that I believe he is doing a good job as floor leader, and I had no reference to him. I should have made my remarks plainer. I had reference to the chairman of the Republican Policy Committee and most of the Republican Senators who are chairmen of Senate committees, none of whom consulted with me first before departing from the action taken by the committee.

Mr. HAYDEN. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I yield.

Mr. HAYDEN. In the committee, I voted not to increase the amount of the appropriation for the Rural Electrification Administration. I so voted on the assumption that the bill as it was, contained ample funds to carry on all the work in prospect for next year.

Mr. YOUNG. I think that is true. I repeat that there will be approximately $193 million of loaning authority, carryovers, and rescissions for this year, as against $221 million in the fiscal year 1954, and $244 million the year before.

Let me say again that in the fiscal year 1953, one-hundred-and-sixty-four-odd million dollars was loaned; and for the fiscal year 1954, the estimate is that $165 million will be loaned; and the estimate for loans during the next fiscal year is $150 million.

Mr. HAYDEN. In order to loan the additional amount of money that is now proposed to be provided by the bill, it certainly will be necessary to increase the administrative force, because, instead of having a force of the size of the one last year, when $165 million was loaned, the pending bill provides even less money than last year for administrative expenses. If the proposal to increase the amount available for loans is adopted, is it also proposed to increase the funds for salaries and administrative expenses, so the additional loans can be made?

Mr. YOUNG. No, because the REA already has $200,000 more than it thinks it needs; and I believe that, with economies, the REA will be able to do much more work with less money.

Mr. HAYDEN. I do not think so. I think it logically follows that if the amount of money that is expected to be loaned is increased—in other words, if there is a legitimate reason to make an increase in that amount—then there is an equally legitimate reason for increasing the amount of the appropriation for administration, so the money can be loaned. I do not think we can get away from that point.

Mr. KNOWLAND. Mr. President, I shall not take more than 5 minutes of the time of the Senate; but before the yea-and-nay vote is taken on the question of agreeing to the amendment of the Senator from Illinois, I think the Senate should have a very clear view of the situation.

The report of the House Appropriations Committee states that the amount recommended by it, together with an estimated carryover of $45 million, probable recissions of $5 million, and the contingency fund of $35 million, will make a total of $185 million available for electrification loans during the coming year. Of course, the appropriation bill applies to a 12-month period.

In both the subcommittee on agricultural appropriations and the full Senate Commitee on Appropriations, all the Members have a vital interest in the rural electrification program; and during the 9 years I have been a Member of the Senate, I have supported the appropriations for the REA program, I believe all Members of the Senate recognize that it is a very important and a sound program, and that electricity should be supplied to the rural areas, inasmuch as the urban areas already have it.

But, Mr. President, based on the facts presented to the committee and based on the loans made last year and the year before and the estimated loans for this year, I submit that the bill provides an adequate amount to take care of that situation.

As I have pointed out, the appropriation is made for a 12-month period. If during the next 6 months it is found that the REA has received more loan applications than it can take care of, I personally will support, and I am sure the Appropriations Committee will support, the appropriation of additional funds, by means of a supplemental appropriation bill, next year. But it seems to me, on the basis of the record which is before us, and on the basis of the loans which have been made, and which the Administrator says in his judgment will need to be made this year, that it is not logical at this time to increase the amount by $35 million. Congress will be back here in January. If the Administrator is wrong, if the statement of facts which has been presented is not correct, we shall then be able to make an additional appropriation for loans at that time.

For the reasons stated, though I have supported the REA program, I do not believe it is sound at this time to increase the amount recommended by the Appropriations Committee, all of whose members have been interested in the development and expansion of the REA program.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from West Virginia.

Mr. KILGORE. The loans made under the REA program are not necessarily spread evenly over a period of 12 months. The loans are made as the need appears, are they not?

Mr. KNOWLAND. That is correct.

Mr. KILGORE. Therefore, if the entire amount appropriated were loaned in 6 or 7 months, it would be possible for Congress to appropriate additional money for loans.

Mr. KNOWLAND. In the normal procedures the entire amount is not loaned in the first month, or even the first 6 months. The fact of the matter is, as pointed out by the chairman of the subcommittee, that a total of $164 million was loaned in 1953; $165 million in 1954; and the estimate was $150 million for the next year. There are more than adequate funds provided in the bill which has been reported from the Appropriations Committee by a unanimous vote.

Mr. KILGORE. The point I make is this: The loaning power of the REA is not limited to one-twelfth of the total amount each month. The REA might loan the entire amount in a period of much less than a year.

Mr. KNOWLAND. Theoretically the Senator is correct, but as a practical

matter that is not how the program operates.

Mr. KILGORE. But if such a condition should arise, it would be possible for the Congress, when the need arose, to enact a supplemental bill to take care of the shortage. Is not that correct?

Mr. KNOWLAND. That is correct. Likewise, a banking institution might, in 1 month, lend all it was allowed to lend under the law, but normally that does not happen.

Mr. CORDON. Mr. President, as a member of the Appropriations Committee, I naturally follow, in my thinking, the action determined upon by the committee in its various sessions. I vary from that course when in my opinion the action is wrong. In this instance I shall follow it, because in my judgment it is correct. It is in line with all the known facts.

If this amendment were directed to the one place in the bill where it might do some good, I should be inclined to vote for it. It is directed to that figure in the bill which is required to be distributed according to a formula. That formula is predicated upon the relative need for power in the rural areas of the several States. In my own State, for example, where more than 98 percent of our rural areas are electrified, the addition of this $35 million to the $100 million would be of no consequence whatever. It would be of no consequence in any State where electrification is somewhere near the 100-percent level. Strange as it may seem, in cases in which that is not true, we find instances of money which has been available heretofore not being used. The record indicates that in the areas where the greatest need for power exists, there has been the least use of the borrowing authority which has been provided under the act.

In my own State of Oregon—and I call attention to it because it is in some respects unusual—while we have one of the highest percentages of electrification among the 48 States, there is now, under the New Look in connection with the building of public works, a possibility that public bodies may join in a cooperative or partnership effort, in the construction of hydroelectric projects involving multiple-purpose dams, where the greater investment is in the hydroelectric aspect of the structures. In that field our people could use money. They could use a line of credit; but they will not have a line of credit, because they are now too near the 100 percent electrified level.

If this $35 million were to be added to the $35 million in line 4 on page 30, it would be available anywhere in the United States where it might be needed. I would be happy to support it in that event. That figure represents the money that can be loaned when there are requests for money beyond the apportionment figure. The figure of $100 million, of course, is fixed. It follows a formula, and the maximum amount in each case is set under that formula. If the State does not use it, that is that.

Over the years this committee has tried to do a fair job in this field. I think it has done it. The record of what has been accomplished in the United States in the field of electrification of rural areas is itself the best answer to the question as to whether or not a good job has been done. The figures which the committee has recommended to the Senate are sound figures. They are based upon experience, based upon all the knowledge of the facts, and based upon the best projections which can be made into the future. They represent a sum total beyond any amount that will be needed in the coming fiscal year for rural electrification purposes. There might be a difference with respect to the nonformula moneys. Otherwise, I say to my colleagues that this is a sound figure. It is an adequate figure; and the position of the committee ought to be sustained.

Mr. FERGUSON. Mr. President, in connection with this particular amendment, I communicated with the Department in the past few minutes. The acting head of the agency advises me that the $100 million in line 2, on page 30, is a sufficient sum to carry on operations in this field. That was the amount placed in the bill on the floor of the House.

The acting head of the agency also advises me that the additional sum of $35 million could not be used if it were appropriated. That being so, I see no reason why we should vote an additional $35 million. I cannot vote for it. If under any circumstances this sum could be used, let me say that at the beginning of each new session of Congress there are always supplemental appropriation bills. If the agency were able to use the money—and representatives of the agency have stated that it cannot be used—it could certainly be included in a supplemental appropriation bill at a later date. Therefore, I shall vote against the amendment.

Mr. MORSE. Mr. President, I wish to make brief comment on the pending amendment, in addition to what I said yesterday on the floor of the Senate. We are dealing here with a question of fact. I have never thought it sensible to argue about questions of fact when all it is necessary to do is to determine what the facts are.

We have before us a conflict in representations by the REA. Apparently the REA tells one thing to one Senator and another thing to another Senator. I checked with the REA and, as I said in my speech yesterday, REA advised me that as of April 6 there were pending 201 loan applications—and we are talking about loan applications under the so-called formula—totaling $160,689,000.

As I pointed out yesterday, three of those applications, for more than a million dollars, came from my own State of Oregon. What has happened during the past year is that the Administrator of REA has been dragging his feet on the whole matter of filling loan applications under the formula. There is a feeling throughout REA organizations that the Administrator of REA has not looked kindly upon heavying up lines which need to be heavied up in the States where heavier lines are needed to carry the increased power wanted by REA users.

I believe my colleague [Mr. CORDON] in his comments is quite correct when he points out that on page 30, line 3, of the bill the amount of $35 million, which is provided for operations outside the formula, is too small. I have an amendment awaiting introduction which I shall offer later today to increase that amount.

However, there is also a great need to increase the $100 million appropriation contained in the pending bill for the so-called formula loans, if the REA is to get on with the job of speeding up the granting of loans. There is not sufficient money available in the appropriation to meet the pending applications under the formula. The situation will become worse as the months go by. Here is a chance for us to help the farmers in the States where a low percentage of farms are electrified. Then by my subsequent amendment we can help the farmers heavy up their lines in the States where there is a high percentage of electrified farms.

I have heard the argument made time after time that if in the main appropriation bill we do not appropriate enough money we can always appropriate additional funds in a supplemental appropriation bill. Mr. President, I do not believe in legislating by postponement. Now is the time to appropriate the money. A clear case has been made for the additional sum asked for by the Douglas amendment.

As the Senator from Oklahoma [Mr. MONRONEY] said, we propose to put the money in the REA bank. If the REA does not use the money it will not cost the Government anything. At least we shall have fulfilled our obligation to the farmers of the country by putting the money in the bank, so to speak, from which the REA can draw it out, if the applications for loans are justified on their merits.

I agree with the Senator from North Dakota [Mr. YOUNG] that REA has plenty of cushion in its appropriation so far as administrative costs are concerned, and that therefore it can take care of the applications within the present administrative budget of REA.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. CASE in the chair). Does the Senator from Oregon yield to the Senator from California?

Mr. MORSE. I yield to the majority leader.

Mr. KNOWLAND. As I understand the Senator's statement, in checking with REA he was told that REA had the number of applications on file that he mentioned and that it would require about $160 million to fill the applications.

Mr. MORSE. That was as of April 6.

Mr. KNOWLAND. As was pointed out by the Senator from North Dakota [Mr. YOUNG], and from the figures I put in the RECORD, REA would have, with carryovers and rescissions, between $185 million and $192 million with which to take care of the loans.

Mr. MORSE. Mr. President, as I pointed out yesterday in my speech, it is perfectly clear that REA will have almost $260 million in applications for

loans before the end of the year. That is why I said I thought the amount included in the Douglas amendment was entirely too small. There is no question that REA will exceed the figure the Senator from California mentioned before the year is over. The figure I used was the figure of April 6. I thought I ought at least to go as far as the Douglas amendment goes and urge giving to REA the amount we appropriated last year. Then, as my colleague pointed out—and I say he is right on this point—we ought to increase the amount of money that would be available outside the formula.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. In view of the comment of the Senator from California, the distinguished majority leader, that as of April there were only $162 million in applications pending, whereas the pending bill, in its present form, would provide $193 million in funds, is it not true that during the coming year there will be a large volume of new applications coming into REA?

Mr. MORSE. That is what the REA cooperatives all over the country advised us when they urged us at least to adopt an amendment with a figure as small as the Douglas amendment contains.

Mr. DOUGLAS. Is it not also true that the REA co-ops estimate, on the basis of a survey made covering the entire country, that there will be $249 million in applications made during the current year, and that this amount will be added to the $167 million in applications now pending? Therefore the proposal which I am making will take care of only a fraction of the total requests. Is that correct?

Mr. MORSE. The group of co-op representatives with whom I met yesterday—and I believe the Senator from Illinois had a discussion with them also—said the applications would amount at least to $260 million.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. YOUNG. Mr. President, I ask uananimous consent to have printed in the RECORD at this point, as a part of my remarks, a table prepared by the staff of the Committee on Appropriations with respect to REA funds.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rural Electrification Administration—Total loan funds available

ELECTRIFICATION LOANS

	1953	1954	House bill 1955
New authorization	$50,000,000	$135,000,000	$100,000,000
Contingency authorization	50,000,000	45,000,000	35,000,000
Carryover from prior year	117,298,364	29,919,203	49,919,203
Recissions of prior-year loans	27,593,501	12,000,000	8,000,000
Total	244,891,865	221,919,203	192,919,203
Estimated amount loaned or to be loaned (as of May 24, 1954)	164,972,662	165,000,000	150,000,000

TELEPHONE LOANS

New authorization	$35,000,000	$67,500,000	$75,000,000
Supplemental authorization	7,500,000		
Carryover from prior year	476,000	7,092,500	3,592,500
Rescissions of prior-year loans		3,000,000	
Total	42,976,000	77,592,500	78,592,500
Estimated amount loaned or to be loaned (as of May 24, 1954)	35,883,500	74,000,000	75,000,000

Mr. AIKEN. Mr. President, I have been a very strong supporter of rural electrification since 1935. I believe I was working for rural electrification in the days when some of its fervent advocates of today were wondering whether the program was good for the country.

I watched rural electrification grow, and I have seen the good it has done. It has helped to bring quick freezers and refrigerators and many other modern conveniences to the farm. I watched it grow during the first 5 years of its existence. It did not grow too fast, but probably it grew as fast as it could under the circumstances. Then war came, and there was not much done for a few years.

After the war ended, and the 80th Congress came into being, that Congress, ridiculed as it has been, appropriated more money for rural electrification in the United States than any other Congress before or since. It appropriated as much money in 2 years as had been appropriated in the previous 13 years.

That helped rural electrification get on its way again. The 81st Congress appropriated, not quite so much as the 80th Congress, but somewhere near that amount, and the work went on its way again.

We started with only about 35 percent of the farms of America electrified, and we were up to 70 or 80 percent 3 or 4 years ago. The figure is more than 90 percent at the present time.

The 82d Congress made an appropriation for rural electrification, which may have been an inadequate one. Then much to my surprise I found that the White House had ordered a slowdown in rural electrification work in 1951 and 1952.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. AIKEN. I shall yield after I have submitted the evidence which proves what I say.

On May 19, 1953, Mr. Clyde Ellis, executive manager of the National Rural Electric Cooperative Association, appeared before the Subcommittee on Agricultural Appropriations of the Senate and made this statement:

Here is another thing we want to call your attention to. We learned this year to our amazement and to our disappointment, some time along about January, that the REA Administrator had agreed with the Bureau of the Budget or with the Budget Director last fall not to lend more than $165 million in this fiscal year, irrespective of the amount appropriated by the Congress. Lest I not be misunderstood I want to say we understand it was almost a directive on the part of the Bureau of the Budget—

The Bureau of the Budget is an agency of the President, let it be known—

It was almost a directive on the part of the Bureau of the Budget, but was agreed to by the REA Administrator—and I imagine he was somewhat helpless in the situation—

The Administrator at the time was Claude Wickard, and the President was Harry Truman—

I imagine he was somewhat helpless in the situation—that REA would not lend for rural electrification purposes more than $165 million this year, no matter how much money was available. We did not know that until January.

We did not know it until REA began to tell our systems in certain areas that it did not have enough money to lend them.

Senator ELLENDER. Although it was appropriated.

Mr. ELLIS. Yes; although it was appreciated—

"Appreciated" is obviously a misspelling—

counting the contingency fund, counting the contingency, Senator ELLENDER. We did not know that the contingency was not loanable until about that time. Here is where we stand at this moment. That has happened again. We understand that REA is on record with the Bureau of the Budget now not to spend, or not to lend for rural electrification purposes in excess of $120 million in the next fiscal year.

That was the agreement between Claude Wickard and Harry Truman—not to lend more than $120 million in the next fiscal year.

That includes the $95 million which was requested by the budget plus an anticipated $25 million carryover.

My reason in saying that to you is that if the House action stands it is possible that REA will still consider itself bound by its commitment to the budget not to lend in excess of $120 million during the next fiscal year, no matter how much Congress appropriates.

Our appeal to you is to do something here in language in your committee report or on the floor to relieve REA of that commitment to the Bureau of the Budget.

Senator AIKEN. Well, is the President authorized to withhold loans to the REA with discretion the same as he is authorized to hold up appropriations for public works? Is that under that law? What authority is that?

Mr. ELLIS. I do not know, Senator AIKEN.

Mr. President, in view of the very obvious attempt to show that the Republi-

cans are opposed to the REA, I merely wish to make it clear that the Republican 80th Congress appropriated more for REA than any Congress ever did before or since, and that the slowdown in the REA work was not ordered by Dwight Eisenhower; it was ordered by Harry Truman.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I do not care to yield at this time. I wish to point out that all this fervency in behalf of REA comes at a rather peculiar time. The Committee on Appropriations has been holding hearings for weeks, and I have not seen or heard, and there is nowhere in the record any evidence to show that the orators who have expressed themselves so fervently on the Senate floor today and yesterday have appeared before that committee in behalf of the REA.

The Senator from Illinois [Mr. DOUGLAS] did not appear before the Appropriations Committee in behalf of REA.

I did not see the junior Senator from Minnesota [Mr. HUMPHREY] there. He is not recorded as having said a word before the committee.

There is no record that the junior Senator from Oklahoma [Mr. MONRONEY] asked for increased funds for REA.

There is no record that the senior Senator from Tennessee [Mr. KEFAUVER] asked for increased consideration for REA.

There is no record that the Senator from Oregon [Mr. MORSE] asked for any consideration for REA before the committee.

I do not think there is any record of any of those who have spoken so fervently for the REA today having made any effort to testify before the committee to request the money which they now ask from the Appropriations Committee itself.

As I say, Mr. President, if anyone has supported REA more ardently than I have over the past 19 years I do not know who he can be. I attended the first meeting in St. Louis at which the National Rural Electrification Association was organized. I have always voted for every dollar I thought the agency could use. I worked as hard as I could to get the rural telephone bill out of committee, and we got it out with more Republican support than Democratic. I voted for all the money that could be feasibly used for that purpose. If it should take another $500 million to do the work today I would vote for that amount. If I thought it would take $35 million more to do the work today, I would vote for that sum.

Mr. President, I did vote yesterday to restore the funds for the State experiment stations. I was a member of the Subcommittee on Agricultural Appropriations, and I did make some reservations in that committee. I ascertained afterward that the money was needed But I made no reservations as to REA, because I did not think it was necessary to appropriate more money. I relied explicitly upon the judgment of the Senator from North Dakota [Mr. YOUNG], the chairman of the subcommittee, and on the judgment of the junior Senator from Georgia [Mr. RUSSELL]. I knew they were stanch friends of the REA and that they would recommend whatever money was necessary. Anyone who seeks to give the impression that the Senator from North Dakota or the Senator from Georgia is not a friend of the REA either must be very stupid or is overcome by political anxiety. Lest I be misunderstood, let me say that I am not accusing any of our friends across the aisle of being stupid.

Mr. DOUGLAS. Mr. President, will the Senator from Vermont yield before he becomes overcome by political anxiety?

Mr. AIKEN. Mr. President, I shall vote for the bill as it stands, basing my vote on the judgment of two of the best friends rural electrification ever had in this country, the Senator from North Dakota and the Senator from Georgia. If I thought for a moment that the REA really needed additional money with which to do its work during the coming year I would vote for every dollar necessary, and probably for a few million dollars more.

It has been suggested that there is a great backlog of applications. There is not a very big backlog of applications. Thanks to the very efficient work of Mr. Nelsen, the Administrator, the backlog of applications has been reduced to 201, amounting to a total of $161 million. A year ago there was a backlog of applications amounting to $214 million. Everyone knows that there are always applications. That has been the case for years. There are applications for loans from persons who know perfectly well that the loans will not be granted and that the REA has no idea of granting them. They probably would never pay out if they were granted.

So I think, Mr. President, that Mr. Nelsen has done an admirable job in the past year in keeping up the work with reference to rural electric lines. His work has exceeded that which was done previous to his taking over. I think he has done efficient work in reducing the backlog of applications for loans in 1 year's time.

I now yield to the Senator from Illinois.

Mr. DOUGLAS. May I ask the Senator from Vermont to withhold his vote on the pending request for the yeas and nays until I have had a chance to reply, because, once the Senate has voted on the pending amendment, all debate will cease. I ask the Senator, as a matter of courtesy, if he will be willing to withhold his vote, upon the conclusion of his address, until I have had an opportunity to reply.

Mr. AIKEN. I shall be glad to do so. I always like to listen to the distinguished Senator from Illinois. I sometimes wonder why he favors reducing appropriations at one time, and increasing them at another time. But I am always glad to listen to him. Usually he makes logical arguments.

Mr. DOUGLAS. I had not intended to speak on the matter today, because I tried to develop it thoroughly yesterday, as appears from my statement on pages 6990, 6991, and 6992 of the RECORD. But the speech by the distinguished majority leader, and the somewhat extraordinary speech by the distinguished senior Senator from Vermont, for whom I have a great deal of personal affection, compel me to make a reply.

I was not interested in the question as to who had supported REA or who had opposed REA. Senators on this side of the aisle always have been very proud that the Democratic Party originated it and have carried it through. But I did not make any comments yesterday about that, and I did not point the finger of scorn at any members of the Committee on Appropriations because of their feeling that the appropriation should not be increased.

I suppose there is no Member of the Senate who has praised the distinguished senior Senator from Vermont more than I have. I have done it publicly, in magazine articles, and among friends in Vermont. I have done it all over the country. I can truthfully say that I have a great deal of respect for the distinguished Senator from Vermont, as have all other Senators. That respect still continues despite what I think were certain gratuitous inferences which the Senator left in his remarks and which, in the light of cold print, he may wish to withdraw.

I am not interested in the question of who did what in 1952, although I think that if the Senator from Vermont will think about it he will realize that in 1952 the United States was engaged in a war in Korea. It was necessary to conserve copper, which was needed for shell cartridges and other ammunition. It was necessary at that time to conserve metals. The ruling which President Truman made restricting applications to and loans from REA was made as a war measure. Also I had never thought the Democratic Party was in power either in May or January of 1953. I think our good friend has got some of his dates mixed up.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. AIKEN. I might remind the Senator from Illinois that during the war the extension of electricity to the farms was considered to be one of the most valuable war measures.

Mr. DOUGLAS. It was considered valuable, but everything had to be fitted into the general war plan; and because of the shortage of copper for shell casings and for ammunition, there was some necessity for the conservation of copper.

Mr. AIKEN. Regardless of the situation, I pointed out that factor primarily to show that it was not the present administration which caused the cutback in rural electrification work. I will admit that it was not a serious cutback. Yet the lines have been extended now, and there is not the urgency that there was 15 years ago.

Mr. DOUGLAS. Since the Senator has gone back historically, I think he should also look at the RECORD of yesterday, where I produced figures on the amounts available for REA in recent years.

I pointed out that the 82d Congress, which was a Democratic Congress, appropriated funds which, together with

funds on hand, made $245 million available for REA purposes for the year 1952–53.

Last year, when the new administration began, even with the increase which the House and Senate gave to the very low figures submitted, not by the old Bureau of the Budget, but by the new Bureau of the Budget, under Mr. Dodge, presumably reflecting the policy of the administration, the total funds available were approximately $221 million, or a decrease of $24 million from the amount available in the preceding year.

This year the Bureau of the Budget requested only $55 million, which would have meant that the Federal total funds available would have been only $147 million. This amount was increased by the House by $45 million, so the funds available would be $193 million. But even this amount is some $53 million less than was made available by Congress 2 years ago.

I do not wish to make partisan charges. I think the distinguished Senator from Vermont, upon sober reflection, when he consults his conscience at night, will agree that, on the whole, the existing administration, under Mr. Nelsen, has not been particularly friendly to the REA. This feeling is shown by most of the boards of directors of REA cooperatives throughout the country. They feel that their applications are still taking a long time to be acted upon and that efforts are being made to cripple them by, first, not letting them keep up their lines to provide for increased use of electricity; second, denying them funds for generating and transmission which they need for bargaining purposes with the private uitilities in the wholesale purchase of power; and third, trying to force up the interest rate on the loans.

It is true that this tacit sabotage is greater in the case of rural telephones than it is in the case of the electric lines themselves, but it is still evident in the case of the electric lines.

I think we are having to deal, on the whole, with an administration which is very lethargic in this entire matter. This is indicated by the fact that the administration has submitted a budget, presumably with the consent of REA of only $55 million.

The Senator from Vermont has said, in effect, that those of us who have been advocating the increase have lost our day in court because we did not appear before the committee. I should like to remind the Senator from Vermont that the National Rural Electric Cooperative Association appeared, and it was thought that the case of the cooperatives was being adequately represented by that association.

Mr. AIKEN. Does the Senator mean that the Democratic Party was adequately represented by Clyde Ellis?

Mr. DOUGLAS. I am saying that the REA case was adequately represented by Clyde Ellis. The Senator from Vermont is taking an extremely partisan point of view about the matter. I have not used the words "Democratic" or "Republican" in this respect; but the Senator from Vermont is making this a partisan matter. I hope he will not continue to do so.

Mr. AIKEN. I very much resent the apparent attempt of the Democrats to use the cooperative organization of the NRECA as a political front. I resent efforts to use any cooperative organization for political purposes.

Mr. DOUGLAS. We are not using the REA cooperatives as a political front. The REA cooperatives belong to the farmers of the United States. If Senators on the other side of the aisle choose to aline themselves in opposition to that group, that is done by their own free choice. It is he and those who act similarly who are injecting politics into this discussion. Is it their guilty consciences which are speaking out?

Mr. AIKEN. Is not that what the Senator from Illinois and his colleagues are trying to do now? Are they not trying to make it appear that the Republicans are opposed to the REA?

Mr. DOUGLAS. The Senator and his colleagues can remove that impression by the very simple device of voting for the increased appropriation provided by my amendment.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. COOPER. Did I understand correctly the distinguished Senator from Illinois to say that it was the opinion of the Rural Electric Cooperatives that Mr. Nelsen is not friendly to them?

Mr. DOUGLAS. That is correct.

Mr. COOPER. I should like to say, in rejoinder that I do not agree with his statement. In illustration I point to a situation in my own State of Kentucky. The Eastern Kentucky Electrical Cooperative, serving a large number of local cooperatives, had before the REA, for many years, an application for funds. I do not say that the funds asked by their application had been withheld arbitrarily, by the predecessor of Mr. Nelson, because a number of factors made it impossible, for a time, to grant or lend funds to the cooperative. A war was in progress; suits were pending in court; and a decision had to be made by the Public Service Commission of Kentucky. But nevertheless, I believe the previous administration did not take vigorous action to secure the release of funds to the Eastern Kentucky Cooperative. The fund involved, altogether, about $25 million.

When Mr. Nelsen came into office he went to work to clear these difficulties and in a short time released about $12 million a part of the requested fund. Since that time Mr. Nelson has worked continuously and conscientiously to secure the release of the remainder of the fund, some $15 million. It is my understanding that this action will soon be taken.

I think it is the opinion of the Kentucky cooperatives and their members that Mr. Nelsen has worked diligently and speedily in the case of the Kentucky cooperative. This case is not the only case in my own State in which he has rendered good service to REA and the people of Kentucky.

Mr. DOUGLAS. The junior Senator from Kentucky undoubtedly has very great persuasion, and there may be a very natural tendency on the part of Mr. Nelsen to be of assistance to the junior Senator from Kentucky, as well as to the farmers of eastern Kentucky.

Mr. COOPER. I have been interested in the situation; I have worked to secure the release of funds to Kentucky. But the point I wish to make is that Mr. Nelsen has moved much faster than his predecessor moved. I would like to say also to the Senator from Illinois that I shall vote for the amendment of the Senator from Illinois, to increase loan authorizations to coperatives from $100 million to $135 million.

Mr. DOUGLAS. I welcome the Senator's statement.

Mr. COOPER. But I do not agree with the statement that Mr. Nelsen has not been a friend to the cooperatives.

Mr. DOUGLAS. I am very glad the Senator from Kentucky has spoken. It is always proper for a Senator to rise in defense of a man who he thinks is being unjustly criticized. The Senator from Kentucky shows a high sense of honor in that respect.

Mr. President, more funds are needed not merely to continue the existence of REA, but to "beef" up existing lines in order to provide new sources of power, and also to provide power which can be used as a weapon with which to put into effect lower wholesale prices for power.

Mr. MORSE. Mr. President, I wish to make a very brief statement by way of comment on the speech made by the Senator from Vermont [Mr. AIKEN]. I think he knows that those of us who have been fighting in the Senate to advance the legitimate rights of the REA were just as opposed to the so-called stop order of the Truman administration, which resulted in the freezing of funds, as was the Senator from Vermont. I thought then it was a mistake; I think so now. However, I still hold to the point of view that two wrongs do not make a right. The fact is that this is not a partisan matter. The issue is whether or not we are going to be fair to the legitimate interests of the REA. I think my good friend from Vermont shows some evidence of political sensitivity when he brings into the debate the issue as to whether or not the Republicans are taking one stand and the Democrats are taking another stand on REA needs. What we ought to do is look at the facts and see how much money the REA's need in order to meet their legitimate requirements.

The fact is that, so far as the last 16 months are concerned, the REA's have not received budgets from the present administration which would provide them with the transmission lines they need, and which would give them the new generating starts they need, so that the power can be brought to additional farms. Also they have not received sufficient appropriations from this administration to meet their needs for heavying up their transmission lines and other facilities.

The Senator from Vermont can make a partisan issue out of that if he wants to; I simply state it as a fact. The fact

is that neither the budget of last year, nor of this year, contained adequate provision for the funds REA needs, nor the funds for the new starts which are needed, not only for the REA's, but for other electric-power groups.

We cannot get away from the fact that there are before the REA loan applications for more than $160 million which have not been processed. I have every reason to believe that the co-op and REA representatives who have been in Washington in recent days, meeting with some of us and discussing the problem, are quite right when they point out that applications for many more millions of dollars are going to be filed during the next few months. The funds to meet such obligations are not provided for in the pending appropriation bill.

It is an old, bewhiskered practice in the Senate when the Appropriations Committee has pending on the floor an appropriation bill and Senators find anything in the bill with which they disagree, to make a perverted argumentative use of the doctrine of estoppel. The argument of estoppel seems to be applied against any Senator who doesn't appear before the Appropriations Committee and testify on some issue even though he has not the slightest knowledge that some particular issue is before the Appropriations Committee or that the Appropriations Committee is going to follow what a given Senator later discovers was an unwise policy on that issue. I am surprised that the Senator from Vermont [Mr. AIKEN] would make such a fallacious argument as he has made in his obvious attempt to reflect negatively on a group of us in the Senate simply because we did not appear before the Appropriations Committee and object there to the committee's failure to recommend what we consider to be an adequate sum for REA.

When one considers the length of the appropriation bills, and also considers the multitude of issues which come before the Appropriations Committee, the Senator from Vermont must realize that there is not a colleague on the floor of the Senate, who is not a member of the Appropriations Committee, who can begin to keep abreast of the issues before the Appropriations Committee. Furthermore no Senator who is not a member of the Appropriations Committee has the time to keep himself informed as to what is going on within committee hearings of the Appropriations Committee. When the committee reports a bill as a committee of the Senate, it is responsible to the Senate, and Members of the Senate have the duty of analyzing the report. If a Senator finds in a report on an appropriation bill something he thinks is not desirable he has the duty as a Senator then and there to offer an amendment to the bill as reported by the Committee on Appropriations. That is what the Senator from Illinois is doing.

Let me say, Mr. President, that I shall continue to oppose the idea which seems to be developing in the Senate that when the Committee on Appropriations reports a bill, God has reported to the Senate and no one ought to raise any question as to what the Appropriations Committee proposes. The Appropriations Committee is a child of the Senate and it is the duty of the Senate to correct its erring ways when it is wrong.

There is now before the Senate a bill reported by the Appropriations Committee which many of us find to be, in our opinion, deficient in respect to the money appropriated for REA. We are carrying out our senatorial duty of offering amendments, presenting arguments, voting on the amendments, and letting a majority of our colleagues decide what should be done. I am surprised that any Senator would suggest that we are estopped because we did not appear before the committee and object to something we did not know it was going to do.

Mr. President, I have one more point which I should like to make. It seems to me that what we ought to do is to eliminate the political sensitivity and the partisan criticisms that have crept into this debate, and ask ourselves this simple question: Are the REA and the co-ops receiving the support they should in this bill?

Are we willing to dismiss summarily all of the arguments for more funds which the REA groups and co-op groups are making on this issue? As for me, I am satisfied that the REA and co-op groups have proven their case against the recommendation of our own Appropriations Committee.

I have not any doubt that the Senator from Kentucky has reported quite accurately the favorable action which was taken in Kentucky in regard to one co-op organization. However, I am going to offer this testimony that does not bear him out on a national level. In recent months I have attended the national REA convention at Miami. I have attended a convention of co-ops in St. Paul, at which there appeared co-op delegates from Montana, North and South Dakota, Minnesota, and Wyoming. I have attended also in recent months a very large co-op convention in Iowa. At each one of these co-op and REA conventions I was besieged with criticisms of Nelsen's running of the REA. I save seldom heard such a bombardment of criticisms of a public official as I heard at this series of conventions of REA's and co-ops.

As I said earlier in my remarks today, the representatives of the cop-ops and REA's told me that Nelsen was dragging his feet on their applications; that he was discouraging applications. They told me he was really discouraging the rapid development of REA. They told me he was favoring the private utilities' schemes to weaken REA.

Mr. President, I shall form my judgment on the basis of the testimony I heard at those conventions. I am satisfied factually that the bill before the Senate does not provide enough money for the operations of the REA under the so-called formula, and that the bill does not provide enough money in the item which appears on line 3, page 30 of the bill. To that item I shall offer an amendment after the Senate acts on the pending amendment.

We have now before us the simple issue: Are we going to try to put in the REA bank, so-called, enough money so that the applications can be processed quickly if Nelsen has the will to do it? If the applications do not stand the test of examination, then the money is not going to be used. But we should seek to right a wrong which was done, starting in the Truman administration, and which has grown worse in the present administration. We should increase the loan money available to REA's so that not a single REA serving the electric power needs of the farmers of Americans will suffer the rejection of a single sound loan application on the basis of any alibi by this administration that Congress did not authorize sufficient loan funds.

Mr. BRIDGES. Mr. President, I might say to the distinguished Senator from Oregon that this is the first time I have heard the Committee on Appropriations referred to as almost being God. Since the Senator separates us and puts us on the human basis, we accept his statement that we do speak with some authority, having spent days, weeks, and months of study on all these questions. Our judgment is not infallible, by any means, but it is based on considerable study. While I do not pose as an authority, the figures certainly show that there is available this year for the REA $192,919,203.

The distinguished Senator from Michigan [Mr. FERGUSON] told me he talked with the Administrator, and has been advised that in the present programing there is not a possibility that the REA can use the $35 million.

The estimate of the Bureau of the Budget was $55 million. The House provided $100 million. The Senate committee has gone into the question carefully, and has arrived at a recommendation which it believes will make available to the REA $192 million, which amount the committee thinks will meet all its needs.

I wish to say that I was amazed to have the Senator from Illinois [Mr. DOUGLAS] sponsor the amendment, because he poses as a great advocate of economy. So, Mr. President, whenever he proposes a wild-spending amendment, such as the one now before the Senate, I am always shocked and surprised.

Mr. DOUGLAS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. Certainly.

Mr. DOUGLAS. Is it not true that this item is not for an appropriation, but is merely for an authorization or a loan which will later be repaid with interest?

Mr. BRIDGES. That is true in theory, of course, as the Senator from Illinois well knows. Nevertheless, the amendment calls for increasing, by that amount, this item in the appropriation bill, and I am always surprised to see the Senator from Illinois associated with such a proposal.

Mr. President, I hope the amendment will be rejected.

Mr. LANGER. Mr. President, I intend to vote for the amendment, and I shall do so upon the record.

A few minutes ago we heard it stated that in the 80th Congress more money

was appropriated for this purpose than at any other time. That is true; but I call attention to the fact that the testimony of Mr. Wickard, before the Committee on Post Office and Civil Service, when an investigation was made to determine whether there was any politics in operation of the REA, was that there was $700,000 less for administrative expenses that year, with the result that 172 engineers lost their jobs. As a consequence, North Dakota, South Dakota, and Minnesota had only one engineer. Everyone who knows anything about the REA is aware that every line has to be surveyed. Before we were through, we got back 68 of those engineers, according to Mr. Wickard.

I wish to say, very briefly, that, so far as I am concerned, I am willing to accept the opinion of the 6,000 REA men who met at Miami, Fla., and there unanimously adopted resolutions; and I now ask unanimous consent to have those resolutions printed at this point in the RECORD, as a part of my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

EXHIBIT C

RESOLUTION ADOPTED AT THE 12TH ANNUAL MEETING, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, MIAMI, FLA., JANUARY 13, 1954

Whereas on Tuesday of this week the Assistant Secretary of the Interior, Fred G. Aandahl, by direct statement and implication, charged that our executive manager, Clyde T. Ellis, together with others, was exploiting this association for the purpose of promoting a Federal Government monopoly of the electric power business in America; and

Whereas such charge has absolutely no basis in fact; and

Whereas on the contrary, the facts, as Mr. Aandahl surely knows, are that this association, its member cooperatives, its individual officers and board members, and particularly its executive manager, Clyde T. Ellis, are and always have been unreservedly opposed to all forms of monopoly, whether public, Government, or private: Now, therefore, we, the members of the National Rural Electric Cooperative Association, in national meeting duly assembled, do hereby

Resolve, That we resent and will vigorously oppose Mr. Aandahl or any other person or persons who attempt by such charges to regulate our thinking, to divide our interests, and to destroy our unity; and be it further

Resolved, That the members of this association do here and now approve, confirm, and commend the past actions of our national board of directors, our officers, and our executive manager, Clyde T. Ellis; and that we shall continue to stand firmly and unequivocally behind them to the end that, through their service, the welfare of the rural people of America will be advanced and improved, and our democratic way of life thereby strengthened.

That was the one that arose spontaneously from the people there.

Here is the one that came from the resolutions committee:

"EXHIBIT D

"RESOLUTION UNANIMOUSLY ADOPTED AT NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, 12TH ANNUAL MEETING, JANUARY 14, 1954, MIAMI, FLA.

"Whereas we have heard with interest and respect the statement made by Fred G. Aandahl, Assistant Secretary of the Interior, issued for release January 12, 1954, and presented at this annual meeting of members, which seems to take out of context the quotation made by Executive Manager Clyde T. Ellis, relating to the area of the Pacific Northwest and is a completely factual statement there, and uses the statement to imply the same was made with national application; and

"Whereas the construction given by the Assistant Secretary is a distortion of the whole statement, when he says, 'I am deeply disturbed when I see those who even at this early stage are crusaders for a Federal power monopoly try to use the rural electric cooperatives and their associations to foster Federal monopoly,' by implication and apparent intent charges this organization, its member systems, and its executive manager with the intent and purpose of creating a Federal power monopoly; and

"Whereas this apparent charge and implication was immediately, personally, and directly refuted by the executive manager for himself, and for this association, and its members in this meeting; and

"Whereas the long established policy and practice of this association and its executive manager has been to prevent a monopoly of electric power by either public or private interests for the benefit of all the people: Now, therefore, be it

"Resolved, That we do categorically deny and repudiate the implication made that the National Rural Electric Cooperative Association, its members, or its executive manager, have been 'crusaders for Federal power monopoly' since the implication is unwarranted, unfair, and completely without factual basis; and be it further

"Resolved, That we do commend and uphold, without reservation, our executive manager for his consistent and long-established endeavor to prevent monopoly on the part of any entity, in the vital field of electric power, and to him we do extend our undivided support in the continuation of that endeavor; and be it further

"Resolved, That we do state to Assistant Secretary Aandahl and any others who might, under misunderstanding of our purposes, express similar conclusions, that it is the intent and the compelling purpose of this association and its members and personnel to cooperate fully with the Department of the Interior, and we solicit the study and understanding of our long established and effective effort and interest for a fuller development and use of electrical power throughout the country with monopoly to none."

Then the final resolution bearing upon the policy and criteria:

"EXHIBIT E

"RESOLUTION ADOPTED AT THE 12TH ANNUAL MEETING, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, MIAMI, FLA., JANUARY 14, 1954

"Whereas the new Interior power policy for the country and the new Missouri Basin power marketing criteria—which is an extension of that policy in the Missouri Basin—strike at the heart of the rural-electrification program in every State where the rural-electric systems now purchase, or expect to purchase in the future, federally generated power; and

"Whereas the new Interior power policy calls for the building only of multipurpose dams which others will not build—which means the choice sites will go to the commercial power companies, and calls for the building of fewer transmission lines—which means that the power companies will buy more of the power at the bus bar to the exclusion of the rural electrics; and

"Whereas the marketing criteria started as an all-out attack to the extent that the claimed powers of the Secretary of the Interior would allow, and even as revised under date of December 11, 1953, still constitute an apparent, deliberate, and direct attack upon the preference clauses of Federal marketing statutes, which are so important to the farmers of this country; and

"Whereas the criteria will cause irreparable damage to our rural-electric systems by—

"(1) Arbitrarily limiting the amount of firm power available to preference customers to an inefficiently low standard, thereby also reducing Government revenues at the expense of the preferred customers and the Government;

"(2) Refusing to give preferred customers contractual protection without the payment of penalties so heavy that it would destroy the financial stability of many rural systems;

"(3) Providing for long-term contracts with nonpreference customers without a withdrawal clause, in abrogation of preference rights granted by law to our rural systems;

"(4) Limiting the area of service and thereby making it impossible for some preference customers ever to receive any Government marketed power;

"(5) Officially ending the postage-stamp rate which provided that all customers pay the same price regardless of distance from the dam; and

"(6) Introducing a minimum annual capacity charge that is both unnecessary for the protection of the Government and costly to the rural-electric systems; and

"Whereas the Department of the Interior has also announced that it will not continue its long-established policy of insisting that the cost of power produced in multipurpose projects be determined on an incremental cost or equitable proportionate cost basis, but will leave cost allocations to the agencies which build the projects—meaning higher cost to the rural electrics because of formulas applied by the other agencies; and

"Whereas these changes in well-established power policies which have operated successfully in the past are unwarranted and have been adopted without consultation with the chosen representatives of the people and rural systems involved and, therefore, constitute an apparent deliberate attempt to damage our rural system: Now, therefore, be it

"Resolved, That we, the delegates to the annual meeting of the National Rural Electric Cooperative Association, meeting in Miami, Fla., January 14, 1954, strongly condemn this new policy and marketing criteria of the Department of the Interior; and that we pledge ourselves to use every effort to defeat this attempt to cripple our fine program; and that we do hereby request the Secretary of the Interior to withdraw immediately the policy and marketing criteria and to make no changes in established power policies affecting our rural systems without prior consultation with the representatives of the rural systems chosen by them for that purpose. The secretary is instructed to send copies of this resolution to (1) the President of the United States, (2) every Member of Congress, and (3) the Secretary of the Interior."

Mr. LANGER. Mr. President, I am also perfectly willing to proceed on the basis of the resolutions adopted by the American Public Power Association, in annual convention at Chicago, Ill., on May 6, 1954. I now ask unanimous consent to have those resolutions printed at this point in the RECORD as a part of my remarks.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC POWER ASSOCIATION, RESOLUTIONS ADOPTED MAY 6, 1954, AT ANNUAL CONVENTION, CHICAGO, ILL.

RESOLUTION 1. PREFERENCE-OWNER'S CLAUSE

Whereas the principle of preference or owner's purchase rights in this sale of electric

power from Federal dams to public agencies and cooperatives was originally provided for in the Reclamation Act of 1906, and said principle has been repeatedly reaffirmed in Federal legislation enacted at various times since that date; and

Whereas the American Public Power Association has consistently endorsed that principle under which savings made possible by this provision have been directly to the benefit of the ultimate consumer; and

Whereas there has been and is developing a concerted and planned effort, among those who would discredit this preference or owner's right, and to eliminate it from the many sections of the law to the detriment of the ultimate consumer and the public generally; and

Whereas there has been and is developing a program under which the Federal Power Commission licenses State power authorities to develop power from federally licensed waterways and does not include in said licenses a provision for the maintenance of the said principle of preference or owner's rights of public agencies and cooperatives to purchase electric power so produced; and

Whereas in the issuance of said licenses without this provision it is obvious that the so-called public preference or owner's rights to publicly developed power from federally licensed waterways is being eliminated by administrative action in direct violation of the principle which the Congress has so many times asserted should be carried out in order that there may be the most widespread benefit to the ultimate consumer: Now, therefore, be it

Resolved, (1) That the American Public Power Association, representing over 700 local public power agencies and associations, reaffirms and restates its belief in the fundamental soundness of the public preference or owner's rights to publicly developed electricity, from federally licensed waterways, and (2) that the association urges that appropriate legislation be enacted by the Congress requiring the Federal Power Commission to include in such licenses granted to public agencies a provision for the maintenance and carrying out of these preference or owner's rights in the marketing and sale of electricity so produced.

RESOLUTION 2. ST. LAWRENCE RIVER

Whereas in the New York-New England area the cost of purchased power to municipally and other publicly and cooperatively owned utilities is among the highest in the United States; and

Whereas the Federal Power Commission has granted a license to the New York State Power Authority for the development of the hydroelectric power potentialities of the International Rapids section of the St. Lawrence River; and

Whereas the granting of this license by the Federal Power Commission to the New York State Power Authority did not include a provision that in the sale of power from this federally licensed power resource a preference or owner's right be granted to public agencies and cooperatives; and

Whereas the New York State Power Authority has thus far declined to provide in its program for the sale of this publicly generated power from a publicly owned resource preference in the sale of power to public agencies and cooperatives: Now, therefore, be it

Resolved, (1) That the American Public Power Association urges that in the marketing of the power to be produced from the St. Lawrence River by the New York State Power Authority preference in such sale be granted to public agencies and cooperatives to the end that there may be the most widespread benefit to the ultimate consumer of this publicly owned power resource and (2) that a copy of this resolution be sent to the New York State Power Authority and to the Governor of the State of New York.

RESOLUTION 3. NIAGARA FALLS

Whereas there is now being considered by the United States Senate legislation to permit increased use of Niagara Falls waters in a new hydroelectric project with a capacity of 1,300,000 kilowatts on the United States side of this international stream; and

Whereas this legislation so being considered has been passed by the House of Representatives turning this valuable public resource over to private electric power companies; and

Whereas unless this legislation is amended so as to provide for this development by a public agency with a requirement that a preference or owner's right be provided in the sale and marketing of the power to be produced, valuable public benefits will be lost: Now, therefore, be it

Resolved, (1) That the American Public Power Association urges the Senate of the Congress of the United States to amend said legislation to provide for the development of this public power resource by a public agency and (2) that a requirement be included in said legislation to provide a preference or owner's right in the purchase of the electricity so produced by the public agency.

RESOLUTION 4. TENNESSEE VALLEY SERVICE AREA

Whereas for over 20 years the Tennessee Valley Authority, an agency of the Federal Government, has been the sole supplier of electricity to an area of over 80,000 square miles, in which live over 8 million people; and

Whereas in this area over 150 municipal and cooperative power distributors bring to the people of this area the benefits of federally produced, low-cost electric power; and

Whereas the Nation itself for the purposes of national defense consumes directly over 50 percent of the power produced by the Tennessee Valley Authority, and nearly one-half of the remaining 50 percent of the power produced goes to supply basic defense material industries whose estbalishment and development has been largely influenced by the needs of national defense; and

Whereas the Nation itself has been benefited financially in the national defense program from the availability of this federally-developed, low-cost electric power, both by hydro and steam power producing facilities; and

Whereas there is a need for additional power generating facilities beyond those now authorized by the Congress to be installed by the Tennessee Valley Authority in order to serve the continually growing defense needs supplied by the area, and the growing needs of those in the area solely dependent upon the Tennessee Valley Authority as a source of their electric power supply; and

Whereas the House of Representatives in legislation recently passed has not included provision for the installation of much needed additional generating facilities; and

Whereas said legislation with respect to the future power supply of the Tennessee Valley service area by the Tennessee Valley Authority is now being considered by the Senate of the Congress of the United States: Now, therefore, be it

Resolved, That the American Public Power Association urges that the Senate of the United States include in such legislation regarding the Tennessee Valley Authority a provision for the installation of much needed additional generating facilities.

RESOLUTION 5. RATEMAKING AND COST ALLOCATION CRITERIA IN THE FEDERAL POWER PROGRAM

Whereas the Federal power program is governed by a wide variety of laws which are in turn administered by the several Federal power agencies; and

Whereas these laws fail to provide uniform and precise policies and criteria for determining such elements of Federal wholesale power rates as the following:

(1) Allocation of the costs of multiple-purpose projects to each of the functions served;

(2) Determination of the length of the period during which repayment must be made;

(3) Rate of interest to be paid;

(4) Allowance for downstream benefits;

(5) Allowance for previously accumulated surpluses;

(6) Handling of subsidies to nonpower purposes; and

(7) Handling of the interest component at power projects involving irrigation; and

Whereas even under a single law as interpreted at different times by the same agency there has developed a wide no man's land between the interpretation of the law by different political administrations: Now, therefore, be it

Resolved, That our board of directors and officers be urged to take the leadership in cooperation with other public service associations and groups in the preparation of proposals for legislation to make more certain the criteria which determines Federal wholesale power rates.

RESOLUTION 6. ROOM COOLERS, AIR CONDITIONERS

Whereas with the recent boom in the sale of individual room coolers and air conditioners for use in homes or offices, additional voltage and power factor problems have developed in distribution systems; and

Whereas manufacturers of such equipment claim their hesitancy in applying power-factor correcting devices has been due to the fear of an increased cost for their product in what is a highly competitive market: Now, therefore, be it

Resolved, That the American Public Power Association urges that the manufacturers of the above-mentioned individual room coolers and air conditioners provide their equipment with capacitors or other power-factor correcting devices so that the operating power factor of such equipment will not be less than 90 percent; and further, that all motors used in this type of equipment in excess of one-half horsepower shall be connected for use on 230-volt equivalent circuits only.

RESOLUTION 7. COOPERATION WITH FEDERAL POWER COMMISSION

Whereas the Federal Power Commission is publishing each year a most valuable study on operating statistics of public power systems; and

Whereas this project was initially published by the American Public Power Association and then at our suggestion was undertaken by the Federal Power Commission; and

Whereas the full effectiveness of this annual publication is not being realized because many publicly owned utilities are not sending back the questionnaires of the Federal Power Commission, which return is on a strictly voluntary basis, and involves no submission to the jurisdiction of the Federal Power Commission: Now, therefore, be it

Resolved, That we commend this report to all public power systems; and secondly, that we urge all public power utilities to assist in the betterment of this report by voluntarily responding to the FPC questionnaire.

RESOLUTION 8. INTEREST COMPONENT, COLLBRAN FORMULA

Whereas the American Public Power Association, composed of the principal locally owned public power systems of the United States, has a direct concern in the standard of financial operations established for Federal power projects, as any public discredit resulting from uneconomic Federal power policies reflects in a degree upon the locally owned public power systems; and

Whereas the American Public Power Association disapproves the Federal power prac-

tice of diverting from the Federal Treasury the interest component of revenues derived from the power investment portion of Bureau of Reclamation projects, and using the interest so collected for retirement of capital amounts invested in irrigation projects instead of for paying interest on the resulting national debt; and

Whereas the Collbran formula proposed by the Bureau of Reclamation indirectly effects the same result, by postponing the commencement of repayment of the irrigation investment until the power investment is first retired, and is equally unsound; and

Whereas in the aggregate the sums involved in diversion of the interest component and Collbran formula would require the replacement through added taxes of many billions of dollars for the numerous reclamation projects now proposed; and

Whereas this association has been on record since 1946 as not opposing a reasonable subsidy to irrigation from power revenues, but insists as a matter of principle and sound economics, that any irrigation subsidy believed to be in the public interest should be clearly set forth and be specifically recognized and approved as such in authorization of the project by the Congress; and

Whereas as stated in this association's statement of power policy, total capital costs paid from power revenues shall not exceed the amount for which a comparable supply of power could have been developed had irrigation not been one of the purposes of the project: Now, therefore, be it

Resolved, that the American Public Power Association condemns these practices and recommends that they not be employed in future Reclamation Bureau projects. This recommendation is made in the best interests of the American taxpayer, of the public power industry, and of the public it serves. Adoption of such a reform would avoid a concealed subsidy, the benefits of which go to only a limited number of persons at the expense of the Federal Treasury.

RESOLUTION 8 (A). EXCESSIVE SUBSIDIES TO RECLAMATION

Resolved, That the American Public Power Association is opposed to the increasing burden which is being placed upon the power users in order to subsidize irrigation projects. In some projects recently proposed by the Bureau of Reclamation the irrigators are required to pay less than 15 percent of the costs allocated to irrigation, and the power users are required to pay more than 85 percent thereof plus all the costs allocated to power. In other cases the subsidy to be exacted from the power users would amount to the equivalent of nearly $100,000 for each 160-acre farm. This practice is not in the public interest.

This association's declaration of "Federal power policy" states that when irrigation is one of the joint purposes of a project, power revenues may be used to pay that portion of the capital costs properly chargeable to irrigation which is beyond the ability of the irrigators to pay, but that the total capital costs to be paid from power revenues shall never exceed the amount for which a comparable supply of power could have been developed had irrigation not been one of the purposes of the project. This formula concedes fair and adequate subsidies to irrigation from the power users. If a reclamation project is sufficiently meritorious to justify greater subsidies, they should be fully disclosed, and paid from the General Treasury.

RESOLUTION 9. STATE-OWNED POWER AUTHORITIES

Whereas among the several States of our Nation State-owned and administered power authorities have been established in order that the public may receive the benefits of low-cost power and be protected from the activities and high electric rates of the private-power monopoly; and

Whereas in other additional States citizen-directed movements toward the establishment of State-owned power authorities are being considered and carried forward; and

Whereas there has been and is being carried on by privately owned power companies a campaign to prevent such action, the end result of which would be to deny the citizens of the several States an opportunity to decide upon its merits the question of whether an individual State should establish a State-owned power authority; and

Whereas in the State of Idaho private-power companies are carrying on such a campaign now to prevent a decision upon its merits by the people of said State as to whether they should have a State-owned power authority and further making a personal attack upon those who would allow for such a decision to be made by the people: Now, therefore, be it

Resolved, (1) That the American Public Power Association condemns such actions by the private-power company monopolies as bordering upon being corrupt and unfair practices; and (2) that the right of the people in a proper and legal manner to place such matters upon the ballot must be jealously guarded and not prevented by the actions of the privately owned power monopolists.

RESOLUTION 10. ACCELERATED AMORTIZATION BENEFITS

Whereas the Federal accelerated tax amortization program has, in effect, resulted in interest-free loans to the privately owned power monopoly exceeding $800 million, with ultimate benefits flowing to these companies in excess of $2,800,000,000; and

Whereas this ultimate benefit to the privately owned power monopoly exceeds the total cost of all Federal power facilities, including the Bonneville Power Administration and the Tennessee Valley Authority, both of which investments are repayable to the Federal Treasury from the earnings of these systems; and

Whereas the private-power monopoly industry has and is carrying on a program designed to influence the American people to believe that public-power operations of American Public Power Association members and others are tax subsidized, while their operations pay their own way without any form of Government aid: Now, therefore, be it

Resolved, That we commend this information to the attention of Members of Congress, State and Federal regulatory bodies, and to our American Public Power Association members, in order that the information may be appropriately utilized to procure lower wholesale power rates, which such utility benefits should permit, and to counter and offset private-power monopoly statements and campaigns that insinuate and state American Public Power Association members benefit from tax subsidies, while private-power monopoly companies pay their own way without any form of Government aid.

RESOLUTION 11. FEDERAL-STATE HIGHWAY BUILDING

Whereas a continuing program of Federal and State highway building makes it necessary to remove and relocate local public agency electric system facilities; and

Whereas the costs of moving and changing such facilities have been in the past absorbed by the local public agencies involved; and

Whereas these relocations are often only temporary; and

Whereas a hardship is often placed upon the local public agencies in absorbing these costs: Now, therefore, be it

Resolved, That the American Public Power Association recommends that the Congress provide funds to reimburse the local municipalities for the expense of relocation of local public agencies facilities along highway rights-of-way, when such action is made necessary by the Federal-State highway building program.

RESOLUTION 12. AMENDMENT OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Whereas a bill, H. R. 8202, has been introduced in the Congress for the purpose of changing the definition of electric utilities in the Public Utility Holding Company Act of 1935 so as to exempt from Securities and Exchange Commission regulation such super-generating corporations as the Ohio Valley Power Co., Electric Energy, Inc., and Pacific Northwest Power Co., which are wholly owned by electric utility companies; and

Whereas the enactment of H. R. 8202 may become a gateway for exempting a considerable percentage of generating investment of private utilities by artificially encouraging the formation of such separate generating corporations for the purpose of dodging regulation; and

Whereas to permit such exemption may encourage a return to certain holding company practices and financial manipulations of 25 years ago: Now, therefore, be it

Resolved, That the American Public Power Association, in order that the public interest may be best protected, urges that H. R. 8202 not be passed by the Congress.

RESOLUTION 13. LANGER MONOPOLY SUBCOMMITTEE INVESTIGATION OF POWER POLICY

Whereas the Department of the Interior Missouri Basin power marketing criteria, as announced in September 1953, placed in jeopardy the contractual and other legal rights of citizen-owned electric systems of the Missouri Basin; and

Whereas the Senate Subcommittee on Antitrust and Monopoly Legislation under the chairmanship of Senator WILLIAM LANGER, has recently held hearings on the Missouri Basin power marketing criteria in connection with an investigation into monopolistic practices in the power industry which investigation resulted in an appreciable modification of such criteria; and

Whereas the last full-scale investigation of the electric power monopoly was conducted in the period 1927 to 1935 and resulted in many fruitful reforms of the utility business; and

Whereas there are many indications that a thorough investigation of electric utility monopoly practices and an investigation of governmental policies with respect to electric power would be beneficial: Now, therefore, be it

Resolved, (1) That the American Public Power Association commends the Senate Subcommittee on Antitrust and Monopoly Legislation for such action and that we extend our compliments to Senator LANGER and his staff; and (2) that we request the subcommittee to continue and to extend its power monopoly investigation.

RESOLUTION 14. INTERIOR DEPARTMENT CENTRALIZATION OF POWER AGENCY CONTROL

Whereas the American Public Power Association consistently has endorsed the maximum amount of local control and home rule; and

Whereas this association believes that, consistent with sound operating practices and Federal statutes, the maximum amount of administrative authority should be vested in those Federal power agencies which are within the service areas of the respective agencies; and

Whereas there is a growing tendency of the Department of the Interior to centralize control of Federal power marketing agencies in Washington, in direct opposition to the announced policy of the present administration to provide more local autonomy and control: Now, therefore, be it

Resolved, That the American Public Power Association condemns the practice of withdrawing authority from those power agencies

located in the areas they serve and instead centralizing such authority in Washington.

RESOLUTION 15. STATEMENTS OF GENERAL ELECTRIC AND WESTINGHOUSE COMPANIES

Whereas it has come to the attention of the American Public Power Association that the General Electric Co. and the Westinghouse Electric Corp. have published advertisements or issued public statements in opposition to public power development; and

Whereas the more than 700 locally owned public power systems which are members of this association have purchased and are purchasing hundreds of millions of dollars worth of equipment from these two companies; and

Whereas the declaration of these companies in opposition to public power were grossly improper and inaccurate; and

Whereas the campaign with which these companies have thus alined themselves is sponsored by the private electric power monopolies in the attempted destruction of local public ownership represented by this association: Now, therefore, be it

Resolved, (1) That the American Public Power Association condemns the statements of the General Electric Co., and the Westinghouse Electric Corp. attacking public power, asserts that such statements damage the interests of local public agencies which are substantial customers of those companies, and declares its resentment of this unjustifiable conduct and (2) that the general manager of this association is directed to transmit a copy of this resolution to the president of each of said companies and to the management of each of the public power systems represented in this association.

RESOLUTION 16. ABANDONMENT OF PRUDENT INVESTMENT RATE BASE

Whereas the Federal Power Commission has, in the past, consistently held that utility rates should be based upon the prudent investment theory; and

Whereas the Commission, in Opinion No. 269, Docket No. 1116, released on April 15, 1954, in the matter of Panhandle Eastern Pipe Line Co., allowed gas well-head prices to be based upon "fair field value" without regard to the cost of production; and

Whereas this policy will encourage increased prices of gas in the field and removes the FPC as an effective check on the present alarming rising gas prices; and

Whereas many of our member utilities are now using gas as a major fuel and through this action of FPC are almost certainly facing a substantial increase in fuel costs: Now, therefore, be it

Resolved, (1) That this association go on record as being opposed to the abandonment of the prudent investment rate base as an abdication of the responsibility of FPC and (2) that we urge the FPC to reconsider the policy expressed in this decision, or that the Congress take appropriate action to require the FPC to follow the prudent investment rate base.

RESOLUTION 17. PROPOSED AMENDMENTS TO ATOMIC ENERGY ACT

Whereas, in the words of the Congress of the United States, "it is reasonable to anticipate" that the use of atomic energy "will cause profound changes in our present way of life"; and

Whereas in the words of President Eisenhower, "consideration of fairness require some mechanism to assure that the limited number of companies, which as Government contractors now have access to the program, cannot build a patent monopoly which would exclude others desiring to enter the field"; and

Whereas to the ordinary American citizen aware of the billions of dollars of public funds which have been expended in basic research in this field, it is literally unthinkable that his Government would permit the creation of such a "patent monopoly"; and

Whereas there is now pending before the Congress a bill (H. R. 8862) which would so amend the Atomic Energy Act as not merely to permit but to invite the creation of precisely such a monopoly: Now, therefore, it is hereby

Resolved by the American Public Power Association in convention assembled, That the provisions of this bill (H. R. 8862), insofar as they deal with patents and permit or encourage a monopoly, are not only subversive of the public welfare; they are so obviously designed to serve individual private interests at the expense of the general welfare as to require their total rejection, and the president of this association is authorized and directed to designate one or more representatives to appear before any committee of the Congress considering this legislation, to express the opposition of this association to every proposal therein contained dealing with the subject of patents and monopolies.

RESOLUTION 18. C. A. OLIVER

Whereas Mr. C. A. Oliver, of Taunton, Mass., has given effective leadership and wise counsel to the association during his term as president; and

Whereas Mr. Oliver has been untiring in his efforts in behalf of the association, having traveled widely and extensively in representing the association at committee meetings and conventions of other organizations; and

Whereas the association has made an outstanding record of progress during Mr. Oliver's term as president: Now, therefore, be it

Resolved, That the American Public Power Association expresses its sincere appreciation to Mr. Oliver for his leadership of the association during the past year and the notable success which has been reflected upon the association as a result of his presidency.

RESOLUTION 19. EXPRESSION OF APPRECIATION

Whereas Tacoma City Light again has made Mr. George Childs, of its staff, available to serve as registration and finance chairman of the 11th annual convention of the American Public Power Association; and

Whereas Mr. Childs has been ably assisted by representatives of the Chicago Convention Bureau and by members of the staff of the department of water, light, and power of Springfield, Ill.: Now, therefore, be it

Resolved, That this association expresses its wholehearted appreciation to Tacoma City Light, Mr. Childs, the Convention Bureau, and to the representatives of the department of water, light, and power of Springfield for their invaluable assistance in making this convention a success.

RESOLUTION 20. ILLINOIS MUNICIPAL ELECTRIC UTILITIES ASSOCIATION

Whereas the Illinois Municipal Electric Utilities Association has been host to the American Public Power Association at its 11th annual convention in Chicago; and

Whereas the officers and representatives of member utilities of the Illinois Municipal Electric Utiuities Association have been gracious in their hospitality to the American Public Power Association and have arranged an excellent entertainment program and other events for the convention; and

Whereas great assistance has been rendered the association by the local convention planning committee, of which the cochairmen are John Hunter, S. T. Anderson, and Byron Schroeder: Now, therefore, be it

Resolved, That the American Public Power Association expresses its sincere appreciation to the Illinois Municipal Electric Utilities Association, the cochairmen of the local convention planning committee, and to the ladies' committee for the excellent programs they have arranged for the American Public Power Association's 11th annual convention.

Mr. LANGER. Mr. President, in my opinion, any Senator who reads the resolutions which were adopted at Miami, Fla., or the resolutions which were adopted at Chicago, Ill., on May 6, 1954, will support the amendment which has been submitted by the Senator from Illinois and other Senators. I only regret that I was absent at the time when the amendment was submitted, so that I was unable to be a cosponsor of it, along with the Senator from Illinois.

Mr. DOUGLAS. Mr. President, before the yeas and nays are taken on the question of agreeing to the amendment, I ask that the name of the distinguished senior Senator from North Dakota [Mr. LANGER] be added as a cosponsor of the amendment.

Mr. LANGER. I thank the Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment submitted by the Senator from Illinois [Mr. DOUGLAS] on behalf of himself and other Senators.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). On this vote, I have a pair with the senior Senator from Washington [Mr. MAGNUSON], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote, I have a pair with the senior Senator from Oklahoma [Mr. KERR], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. GREEN (after having voted in the negative). Mr. President, when my name was called, I voted "nay." I have learned that a pair arrangement has been made with the Senator from New Mexico [Mr. CHAVEZ], who, if present and voting, would vote "yea." Therefore, I withdraw my vote.

Mr. PASTORE. Mr. President, on this vote, I have a pair with the junior Senator from Florida [Mr. SMATHERS], who, if present and voting, would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. GORE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Tennessee is recorded as voting in the affirmative.

Mr. LONG. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Louisiana is recorded as voting in the affirmative.

Mr. DANIEL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Texas is recorded as having voted in the affirmative.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Minnesota [Mr. THYE] would vote "yea," and the Senator from New Hampshire [Mr. UPTON] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The result was announced—yeas 42, nays 40, as follows:

YEAS—42

Anderson	Holland	Maybank
Burke	Humphrey	McClellan
Clements	Hunt	Monroney
Cooper	Jackson	Morse
Daniel	Johnson, Colo.	Mundt
Douglas	Johnson, Tex.	Murray
Eastland	Johnston, S. C.	Neely
Ellender	Kefauver	Russell
Fulbright	Kilgore	Schoeppel
George	Langer	Sparkman
Gillette	Lehman	Stennis
Gore	Lennon	Symington
Hennings	Long	Wiley
Hill	Mansfield	Young

NAYS—40

Aiken	Dirksen	Martin
Barrett	Duff	McCarthy
Beall	Dworshak	Millikin
Bennett	Ferguson	Payne
Bowring	Flanders	Potter
Bricker	Frear	Purtell
Bridges	Goldwater	Saltonstall
Bush	Hendrickson	Smith, Maine
Butler, Md.	Hickenlooper	Smith, N. J.
Butler, Nebr.	Ives	Watkins
Byrd	Jenner	Welker
Carlson	Kennedy	Williams
Case	Knowland	
Cordon	Malone	

NOT VOTING—13

Capehart	Kuchel	Smathers
Chavez	Magnuson	Thye
Green	McCarran	Upton
Hayden	Pastore	
Kerr	Robertson	

So the amendment offered by Mr. DOUGLAS, on behalf of himself and other Senators, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS, Mr. MORSE, and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DOUGLAS. I move to reconsider the vote by which the amendment was agreed to.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

Mr. KNOWLAND. I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. MORSE] to lay on the table the motion of the Senator from Illinois [Mr. DOUGLAS], to reconsider the vote by which the so-called Douglas amendment was agreed to. On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. BUSH. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the Douglas amendment was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. I ask that the Presiding Officer state the question before the Senate.

The PRESIDING OFFICER. The yeas and nays have been ordered on the motion to lay on the table the motion to reconsider the vote by which the Douglas amendment was agreed to.

The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. FLANDERS. Mr. President, am I recorded as having voted?

The PRESIDING OFFICER. The Senator from Vermont is recorded as having voted in the negative.

Mr. BRIDGES. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Hampshire is recorded as having voted in the negative.

Mr. FERGUSON. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Michigan is recorded as having voted in the negative.

Mr. GOLDWATER. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Arizona is recorded as having voted in the negative.

Mr. PURTELL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded as having voted in the negative.

Mr. PAYNE. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maine is recorded as having voted in the negative.

Mr. BEALL. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maryland is recorded as having voted in the negative.

Mrs. SMITH of Maine. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Maine is recorded as having voted in the negative.

Mr. HENDRICKSON. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from New Jersey is recorded as having voted in the negative.

Mr. BUSH. Mr. President, how am I recorded?

The PRESIDING OFFICER. The Senator from Connecticut is recorded as having voted in the negative.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Utah [Mr. BENNETT] is absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from New Hampshire [Mr. UPTON] would each vote "nay."

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. GILLETTE], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I announce further that if present and voting, the Senator from Iowa [Mr. GILLETTE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

The result was announced—yeas 43, nays 39, as follows:

YEAS—43

Anderson	Humphrey	McClellan
Burke	Hunt	Monroney
Clements	Jackson	Morse
Cooper	Johnson, Colo.	Mundt
Daniel	Johnson, Tex.	Murray
Douglas	Johnston, S. C.	Neely
Eastland	Kefauver	Pastore
Ellender	Kennedy	Russell
Fulbright	Kilgore	Sparkman
George	Langer	Stennis
Gore	Lehman	Symington
Hayden	Lennon	Wiley
Hennings	Long	Young
Hill	Mansfield	
Holland	Maybank	

NAYS—39

Aiken	Dirksen	Martin
Barrett	Duff	McCarthy
Beall	Dworshak	Millikin
Bowring	Ferguson	Payne
Bricker	Flanders	Potter
Bridges	Frear	Purtell
Bush	Goldwater	Saltonstall
Butler, Md.	Hendrickson	Schoeppel
Butler, Nebr.	Hickenlooper	Smith, Maine
Byrd	Ives	Smith, N. J.
Carlson	Jenner	Watkins
Case	Knowland	Welker
Cordon	Malone	Williams

NOT VOTING—13

Bennett	Kerr	Smathers
Capehart	Kuchel	Thye
Chavez	Magnuson	Upton
Gillette	McCarran	
Green	Robertson	

So the motion to lay on the table was agreed to.

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a number of telegrams I have received from REA cooperatives, in support of the amendment which was approved a few minutes ago by the Senate.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 2, 1954.*

Senator MILTON R. YOUNG,
Senate Office Building:

Need for additional REA funds is real. Whole program is endangered if adequate safeguards at moment are not met. Respectfully urge, in name of our 2 million members, your support for Douglas amendment, increasing loan funds $35 million. As you know, this appropriation is not an expenditure. So far the REA record is good. We urgently hope, with your help, it will continue to be.

WALLACE CAMPBELL,
Cooperative League of the United States of America.

RUTLAND, N. DAK., *June 2, 1954.*

Senator MILTON R. YOUNG,
United States Senate:

Strongly urge your support of the amendment for $35 million additional funds for REA to meet pending needs.

OBED A. WYUM,
National Director for North Dakota, NRECA.

WILLISTON, N. DAK., *June 2, 1954.*

Senator MILTON YOUNG,
Senate Office Building:

We urge approval of $35 million increase in REA appropriation as proposed by Douglas, Humphrey, and Gillette amendment. This is not a nonrecoverable expenditure but is a sound investment in our American agriculture which will be repaid to the United States Treasury, with interest.

WILLIAMS ELECTRIC CO.,
S. A. FORSETH, *Manager.*

MILNOR, N. DAK.,
June 2, 1954.

Senator MILTON YOUNG,
United States Senate:

Urge you support $249 million appropriation recommended by NRECA for REA.

RSR ELECTRIC CO-OP, BELINSKY.

GRAND FORKS, N. DAK.,
June 2, 1954.

Senator MILTON R. YOUNG,
United States Senate:

Respectfully request your support of $35 million amendment REA funds.

NODAK ELECTRIC CO-OP,
RALPH DIEHL, *President.*

KINDRED, N. DAK.,
June 2, 1954.

Senator MILTON R. YOUNG,
Senate Office Building:

Directors and 6,400 members request your favorable consideration of the Douglas-Humphrey-Gillette amendment to REA appropriations. Curtailment of funds would jeopardize REA program all applicants now receiving service. Demands exceed tremendously the expected load. Funds will be needed to increase the capacity of our present system.

CASS COUNTY ELECTRIC CO-OP, INC.

DICKINSON, N. DAK.,
June 2, 1954.

Hon. MILTON YOUNG,
United States Senator, Senate Building:

DEAR MILT: We sincerely urge your support of amendment to increase electric loan funds.

WEST PLAINS ELECTRIC CO-OP,
A. L. SHJEFLO, *Manager.*

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG. Mr. President, I have an amendment at the desk which I should like to call up.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Louisiana.

The LEGISLATIVE CLERK. On page 27, line 24, it is proposed to strike out all of lines 24, 25, and 26, and to insert "$93,236,197."

Mr. LONG. Mr. President, I do not believe it will take long to discuss the amendment. I shall explain it briefly and should like to have the yeas and nays ordered on it.

This amendment proposes to add $10 million for the school-lunch program by striking lines 24 through 26, on page 27, and to permit $10 million to be used for nonfood assistance to the school-lunch program. I understand there is some precedent for the language in the bill as reported by the committee, which provides that no part of the appropriation for school lunches shall be used for nonfood assistance.

On page 27, Mr. President, reading lines 24 through 26, Senators will see that the bill as reported to the Senate contains language which came over from the House providing that no part of the school-lunch funds shall be used for nonfood assistance.

Under my amendment $10 million may be used to match funds provided by the States for nonfood assistance for the school-lunch program. I should like to point out that under existing circumstances there is a great need for the States to acquire adequate storage and warehousing facilities for the school-lunch program.

We were told last year that the Secretary of Agriculture was doing all he could to remove surplus beef from the market for the benefit of the school-lunch program. The Secretary of Agriculture paid approximately 7 cents a pound for much of the beef on the hoof. By the time the canner was paid, the beef was costing a great deal more than that. The canned beef was not as palatable as fresh beef would be. It was not as satisfactory for the school-lunch program as beef would have been if it were kept in cold storage or frozen. But many States did not have the necessary facilities to handle beef which had not been canned. Therefore, the cost turned out to be approximately five times as much as it would have been if an adequate system had been used to keep the beef on cold storage or frozen until it was used.

The State which I have the honor to represent has a very elaborate system of cold-storage warehouses and various facilities to handle surplus commodities. It is unfortunately true that most of the States do not have adequate facilities to take care of the surplus commodities which are available. I inquired last year of the Secretary of Agriculture to ascertain why he did not remove more surplus commodities from the market and channel them into the school lunch program. I found that one of the answers was that the States did not have adequate facilities to provide for them; they did not have adequate facilities for the handling of butter, powdered milk, and various other commodities.

It was wisely foreseen that there would be need for the Federal Government to match funds provided by the States, and a formula was provided for giving nonfood aid to the school lunch program.

I notice that the law provided as follows:

> Such payments in any fiscal year during the period from 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars.

That would mean, in effect, that every time a Federal dollar is applied to nonfood assistance, the State will have to match it with $1.50.

It is further provided:

> And for any fiscal year thereafter—

Meaning after 1955—

> Such payment shall be made on condition that each dollar will be matched by $3.

In other words, Mr. President, starting next year, any assistance to the nonfood phase of the school-lunch program will have to be made by a 3-to-1 contribution of funds from the State governments. That seems to me to be a rather modest and yet a wise way to aid the program and to make more progress in extending and improving it.

The amount recommended by the committee is the same amount which was made available last year to the school lunch program. In this day of enormous surpluses of agricultural commodities, many which are perishable commodities, we should expand and improve the school-lunch program rather than simply being content to go along year after year with inadequate facilities and an inadequate program.

For that reason, Mr. President, I hope the Senate will provide $10 million to assist the States in acquiring facilities for the school lunch program.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. WILEY in the chair). Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. LONG. I yield.

Mr. HUMPHREY. The Senator has been commenting on two aspects of the program, the food-purchase area, or a part of it, and the necessary modern facilities to carry out the program. I had hoped the Senator would mention in some detail the growth in school population. What disturbs me is that the amount recommended in the bill is the same as it was last year. I remind the Senate that since that time 2 million more children are in school, and there will be more and more children every year in the foreseeable future. The amount recommended has been the standard figure for the past 4 or 5 years. As the school population grows it does not seem to me that we are providing an adequate appropriation if we base it on the figures of last year. If the same number of children are in school in the coming year the appropriation might be justified, provided it can be shown that it was adequate last year. In my own State there are 27,000 more children in elementary school this year than there were last year, and there is a large group coming up in the following years, because the postwar babies are now becom-

ing the kindergarten and first- and second-grade children in the elementary schools. It is in those schools that the program is of such great significance.

I wish to cooperate, and I shall support the Senator from Louisiana in his determined effort to improve the program. He has always led the fight in the Senate in connection with this particular activity, and I commend him for it. But I suggest that even the part of the program which is in the food-purchase area should be increased. Therefore, I wish to ask the Senator from Louisiana a question. Does he plan to offer an amendment simply to strike out the proviso which reads:

Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said act.

Or does the Senator intend to offer an amendment to increase the overall sum of money?

Mr. LONG. So far as I can determine from studying the hearings and the other information available to me, there will be far more surplus-food commodities available this year than there have been in years past. The Senator from Minnesota well knows, for example, that in the great midwestern section of the Nation an almost unlimited surplus of dairy products is available for distribution by the Secretary of Agriculture for such purposes as this.

The objection I make is that, by and large, most States cannot handle butter because they cannot store it.

I believe funds should be provided to help the States acquire facilities to enable them to use the surplus commodities. Powdered milk is in great surplus today. If the States had the facilities to handle it, much of the surplus could be disposed of.

Beef is in surplus today, but the difficulty of disposing of it is that it is not desirable to use 34-cent canned beef. Frozen beef is preferred because it is much more palatable and desirable for school purposes. But, because of a lack of storage facilities, most schools cannot use it.

I recall one incident in Louisiana which might interest the Senator from Minnesota, who I know has heard me state that I have had some connection with the school lunch program in my State. I believe Louisiana is ahead of perhaps any other State with respect to the amount of money which is channeled into school lunch programs, to make better lunches available for school children.

Because of acquiring considerable warehousing and storage facilities, Louisiana can often times handle commodities which other States cannot use.

The Department of Agriculture found that in order to protect the prices of commodities for farmers, it was necessary to buy carloads of turkeys and other perishable meats. The Department found that most States could not handle such shipments, because the States do not have the facilities to refrigerate the turkeys and other commodities.

But Louisiana simply said, "Send us all you have."

Louisiana is able to do this because it has the facilities. Nevertheless, even Louisiana can use such of these funds which can be made available to the State in order to provide facilities to enable the development of a better school-lunch program. I am certain that if Louisiana needs such a program, it is needed in other States, also.

Mr. HUMPHREY. Many times the school-lunch program facilities are incapable of handling the large bulk of perishable commodities and bulk packages which are made available by the Department of Agriculture under Commodity Credit Corporation activities. Therefore, I certainly agree with the Senator from Louisiana that there is need for improved facilities. But I wish to suggest to the Senator that as the appropriation measure now stands, $83,236,197 is earmarked for food purposes entirely. The proviso reads as follows:

Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said act.

If the proviso were eliminated, the bill would then, unless the total figure were increased, limit the amount of money to be made available for the school population.

Mr. LONG. The Senator from Minnesota is correct.

Mr. HUMPHREY. Therefore, it is my hope, and I make this as a suggestion to the Senator from Louisiana, that rather than to weaken the food-purchase aspect of the program, and at the same time to take care of the facilities provision of the program, the total figure be increased. Do I understand that that is the purpose of the Senator's amendment?

Mr. LONG. My amendment would increase the amount of funds by $10 million, and it would provide that this sum should be made available to supply additional facilities and to pay for various nonfood costs of the school-lunch program.

Mr. HUMPHREY. I do not have a printed copy of the Senator's amendment. I know that he has always been interested in the food aspects of the program, as well as in the facilities which are necessary for such a program.

One type of food which is not available in surplus, strange as it may seem, is fluid milk. I think my colleagues will be interested to know that in some communities in the State of Minnesota, where there has been experimentation with the availability of fluid milk as a free drink to the school children, the consumption of milk has increased as much as from 300 to 400 percent. There are communities in which, for example, the Kiwanis Club, or the local bank, or some business group, has sponsored for a period of a month or two months the distribution of free milk by means of automatic, sanitary milk dispensers. The consumption of milk in such instances has increased as much as from 300 to 400 percent.

It appears to me that a program dedicated to the health and dietary needs of our children should take into consideration the abundance of fluid milk in the United States.

A part of the answer to the dairy surplus problem—in fact, a part of the answer to the butter surplus and cheese surplus problems—is to drink milk; and who can better drink milk than children? Instead of processing milk into butter and cheese, let it be processed into the flesh and bone of young bodies. That can be done under this program.

Mr. LONG. The Senator from Minnesota will find that the experience in the State of Louisiana corroborates the statement he has made. When Louisiana undertook to have a major school lunch program and to provide school children with good school lunches, including milk, at a very low price, it was found that the consumption of milk doubled in many parishes of Louisiana. In some parishes, I believe, the milk consumption has more than doubled.

The result has been that Louisiana, which has always been a deficit producing area, has become a considerable milk-producing State, and still we are importing more milk than ever before.

If it is desired to find some way in which to solve the problem of the milk surplus, the way is to teach the children the value of milk and to channel it into the school-lunch program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. AIKEN. Is it intended that the additional $10 million which the Senator from Louisiana proposes to add to the school-lunch appropriation, shall be used for the purchase of milk?

Mr. LONG. No; it is intended that it shall be used for nonfood assistance to the program. I had in mind in offering the amendment that the act provides, in section 5, that the Federal Government shall match the funds provided by the States for nonfood assistance.

The point I have been making is that many States—I think most of them—do not have adequate facilities for handling the surplus commodities which are made available to them. That is the reason why so much beef must be canned before it can be utilized in the school-lunch programs of the various States.

In Louisiana, all the beef which is sent to our school-lunch program can be disposed of without having to can any of it. In Louisiana it is kept frozen in the cold storage facilities. But most States are not in a position to handle surplus commodities because they do not have adequate facilities for the storage of perishable commodities.

Many States which would like to expand their school-lunch programs do not have adequate facilities for lunchrooms, and lunchroom equipment.

My proposal is that Congress simply appropriate the amount authorized under section 5 of the School Lunch Act, which is $10 million a year.

Mr. AIKEN. Does the Senator propose to appropriate $10 million in addition to the $83,236,197?

Mr. LONG. That is correct.

Mr. AIKEN. I agree that the proper facilities should be provided, but I notice that the amount available for the school-lunch program during the coming year, is almost exactly $100 million more than was available 2 years ago.

Mr. LONG. How much?

Mr. AIKEN. Almost exactly $100 million more than was available for fiscal 1953.

Each year there has been approximately $67 million in cash payments to the States, $15 million for the purchase of section 6 commodities.

For fiscal 1953, there was used $51 million of section 32 funds. For this fiscal year, fiscal 1954, there was used $123 million. It is estimated that $150 million of section 32 funds will go into the school-lunch program for the fiscal year 1955. That makes $233 million, as compared with $133 million 2 years ago.

Mr. LONG. Of course, as the Senator knows, section 32 funds, to which he is referring, are used for the purchase of surplus commodities. If the quantity of surplus commodities increases, naturally it will be possible to channel more surplus commodities into the school-lunch program.

The point I made last year, when there were enormous surpluses, was why could not more of these commodities be utilized in the school-lunch program, and why did it cost 34 cents for a pound of beef when the Secretary of Agriculture was buying it for 7 cents a pound? One of the reasons for the high cost was that the beef was being canned.

I am proposing in my amendment that the schools expand their facilities so that they can handle the additional surplus food which can be used in the school-lunch program. The schools need such facilities. When there is being made available another $100 million worth of surplus commodities, which is only a fraction of the total amount of surpluses, sufficient funds should be provided to help the schools acquire facilities to utilize such surplus commodities.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. The Senator from Louisiana has given an illustration of the use of beef. Is it not true that if the schools had had proper facilities for utilizing beef, they could have used four times as much as they did use?

Mr. LONG. The Senator from South Carolina is entirely correct. By the time the beef was processed, it cost much more than the 7 cents a pound which the Secretary of Agriculture paid for it, but it certainly would not have cost 34 cents a pound if it had not been necessary to can the beef.

Mr. JOHNSTON of South Carolina. The beef cost many times more than it should have.

Mr. LONG. And the beef would have been much more palatable than the sort of gristle which the Secretary of Agriculture was having put into cans.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Wyoming.

Mr. HUNT. I wish to associate myself with the distinguished Senator from Louisiana, and to express my regret that there has been written into the bill the provision that no part of the appropriation shall be used for nonfood assistance.

I am speaking primarily from personal contact with the problem a few years ago, when the schools in my State were unable to accept certain food, especially vegetables, fruits, butter, and various other items which were made available to them. Such foods could not be accepted because there were only two places where surplus commodities were received, and we had the experience that the commodities, when transported by trucks for distribution, froze overnight. On more than one occasion it was necessary to refuse to accept carload lots of surplus commodities, which were needed very badly. I might say that we had the experience in my State not only of having fruits and vegetables frozen on the trucks, but there was also a great deal of spoilage. In such cases there is involved the expense of shipping and handling the foods, and then no value is derived from them.

I am sure my State could well profit by having provided a receiving place where there could be cold-storage as well as dry-storage facilities. That would greatly advance our program.

If the Senator from Louisiana is agreeable, I would be willing to limit the $10 million solely to facilities for the handling of the surplus commodities. As the amendment of the Senator from Louisiana now reads, I think some of the funds could be utilized for assistance in the school lunchrooms. I would be happy to see the provision limited to facilities altogether, which I believe would be more helpful.

Mr. LONG. I would have no objection to such a limitation. If the Senator would care to offer an amendment to carry out such a purpose, I would have no objection to it. I believe the greatest need at the present time is acquiring the facilities with which to handle the school-lunch programs and the surplus commodities which can be made available for that purpose. Nevertheless, I wish to point out to my colleagues that I believe in leaving it to the wise discretion of the States to determine how the money can best be used. In that event the States will see that the money is wisely used.

So far as surplus commodities are concerned, I have one protest about the operation of the school-lunch program. The program has been directed to the benefit of the farmers and not enough to the benefit of the children. While I am in favor of helping the farmers, I am also in favor of helping the children. There has been too great a desire to remove commodities from the market without seeing to it that the children get the benefit of the commodities. Obviously, when the food spoils, the children are denied the benefit of it, even though surpluses are removed from the market. We should be aiding the schools to provide facilities to handle the commodities.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Oregon.

Mr. MORSE. I am very happy to associate myself with the remarks of the Senator from Louisiana. I speak as one who has had some experience with the school-lunch program, having been for 2 years president of a parent-teachers association, and having been an active member of parent-teachers associations for many years.

The need for improvement in the school-lunch program can be well buttressed with facts. In the program more attention should be paid to a balanced diet, because there has been an overemphasis on surplus food without sufficient consideration being given to planning the diet which the children would get. There has, as well, been a considerable amount of waste in regard to the program.

In my judgment, the adoption of the Senator's amendment would greatly improve the school-lunch program, and I am very happy to support it.

Mr. LONG. I thank the Senator from Oregon. I know of his deep interest in the program. I believe the money provided for in my proposal would be wisely spent and would serve a good purpose.

Mr. President, I know that there is present on the floor of the Senate at this time only a small number of Senators, but I nevertheless ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I now ask that the yeas and nays be ordered on the question of agreeing to my amendment.

The yeas and nays were ordered.

USE OF FHA FUNDS FOR SWIMMING POOL CONSTRUCTION

Mr. MAYBANK. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG. I am glad to yield.

Mr. MAYBANK. I appreciate the courtesy of the Senator from North Dakota in yielding to me, for I realize the strain he has been under, in connection with the agricultural appropriations bill, and I also appreciate the very fine job he had done in that connection.

Mr. President, my attention has been called to an advertisement which appears today in the Wall Street Journal. With the permission of the Senator from North Dakota, if I may have it, I wish to call the attention of the Senate to what still is going on in the FHA, under title I—although, after all the recent revelations of alleged corruption in the FHA, I thought the present administration claimed to have issued regulations stopping this sort of thing. I am glad the Senator from Virginia [Mr. BYRD] is now in the Chamber, so that he will hear what I have to say.

Mr. President, I now read from page 5 of the Wall Street Journal:

ENJOY A SWIMMING POOL IN YOUR OWN YARD—COMPLETELY INSTALLED FOR $2,500 IN 3 DAYS

You can have your own 18 foot by 36 foot swimming pool, in any of 6 attractive shapes, for less than the price of the family car. Constructed of reinforced concrete, the pool comes complete with all fittings, piping, and concrete steps—is designed to last a lifetime. FHA financed and approved. Filtration and accessories at slight extra cost.

EAST COAST SWIMMING POOL CO.
VALLEY STREAM, N. Y.

So, Mr. President, the construction of swimming pools is still being financed under title I of the FHA Act. The FHA, Title 1, funds are supposed to be used in connection with the repair and modernization of homes. In this case, the use of those funds for the construction of swimming pools is supposed to be for the improvement of the homes, but is really for the benefit of such corporations as the East Coast Swimming Pool Co., of 56 Lynwood Drive, Valley Stream, N. Y., and whatever lending institution is backing this company with Government guaranteed loans.

Mr. President, I assume that the advertisement is a legitimate one, because it appears in the Wall Street Journal, a publication with an excellent reputation.

I thank the Senator from North Dakota for yielding to me.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. LONG].

Mr. YOUNG. Mr. President, I regret that I shall have to oppose the amendment submitted by my good friend, the Senator from Louisiana [Mr. LONG]. As this appropriation item now stands, it will provide Federal funds of nearly $230 million. The amendment submitted by the Senator from Louisiana would, of course, make $10 million available for the school-lunch program, for the purchase of facilities and equipment, as I understand.

Since the inception of the school-lunch program, so far as I am able to ascertain, the restrictive provision appearing in lines 24, 25, and 26 on page 27 has been out of the bill for only 1 year. The equipment purchases did not work very well, according to my information.

Since 1948, at least, a provision has been carried in the appropriation bill prohibiting the Department of Agriculture from spending any of the school-lunch funds to buy equipment. I think practically all those who are interested in the school-lunch program favor the bill as it is at present. I think they are quite happy with it.

Several groups appeared before the Senate Subcommittee on Appropriations when we held our hearings. Three persons, representing the three largest organizations in the United States, who appear every year, and who take a great interest in this program, were satisfied with the program as is. They were Mrs. Ada Barnett Stough, executive director of the American Parents Committee, Inc.; Mrs. Richard G. Radue, representing the National Congress of Parents and Teachers; and Harvey Allen, representing the New York City Board of Education.

These three groups were strongly in favor of the bill as it came from the House. I think it would be a mistake to adopt the amendment offered by my friend from Louisiana.

Mr. LONG. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LONG. Is the Senator familiar with the fact that when the Secretary of Agriculture undertook to purchase beef to aid the farmers and relieve the surplus of beef on the market last year he had to can all that beef because the schools did not have adequate cold-storage facilities? I am pleased to say that the State of Louisiana would take all the frozen beef he could supply. I understand most States do not have facilities to handle beef unless it is canned. Therefore, canned beef was about the best the Secretary of Agriculture could provide for the school-lunch program. My amendment is designed to relieve that situation by providing the schools with the necessary facilities to receive surplus commodities.

Mr. YOUNG. The objective is very laudable, but I believe that in almost no instance would it be feasible to purchase cattle, slaughter them, and send the beef to the various schools of the Nation for them to store and cook. I think if we were to carry on a program of that kind it would be necessary to can the beef at a packing plant.

Mr. LONG. I should like to inform the Senator that it is entirely feasible to carry on such a program in the State of Louisiana, because the State of Louisiana has made great strides in providing the sort of facilities it would be well to have throughout the Nation. Louisiana would like to have more of such facilities, if it had the money to provide them. I believe the Senator will find that we are perhaps ahead of every other State in the Union in that field. I am sure that if Louisiana could use such facilities, any other State could do so.

Mr. YOUNG. Mr. President, I hope the amendment will be defeated.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate.

The Senator from Utah [Mr. BENNETT], the Senator from Oregon [Mr. CORDON], and the Senator from Wisconsin [Mr. WILEY[are absent on official business.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from New Hampshire [Mr. UPTON], and the Senator from Oregon [Mr. CORDON] would each vote "nay," while the Senator from Wisconsin [Mr. WILEY] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

I also announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] the Senator from Oklahoma [Mr. KERR], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

The result was announced—yeas 39, nays 43, as follows:

YEAS—39

Anderson	Hennings	Lennon
Burke	Hill	Long
Clements	Holland	Mansfield
Cooper	Humphrey	McClellan
Daniel	Hunt	Monroney
Douglas	Jackson	Morse
Duff	Johnson, Colo.	Murray
Eastland	Johnson, Tex.	Neely
Frear	Johnston, S. C.	Pastore
George	Kefauver	Russell
Gillette	Kennedy	Sparkman
Gore	Langer	Stennis
Green	Lehman	Symington

NAYS—43

Aiken	Ellender	Mundt
Barrett	Ferguson	Payne
Beall	Flanders	Potter
Bowring	Goldwater	Purtell
Bricker	Hayden	Robertson
Bridges	Hendrickson	Saltonstall
Bush	Hickenlooper	Schoeppel
Butler, Md.	Ives	Smith, Maine
Butler, Nebr.	Jenner	Smith, N. J.
Byrd	Knowland	Watkins
Carlson	Malone	Welker
Case	Martin	Williams
Chavez	Maybank	Young
Dirksen	McCarthy	
Dworshak	Millikin	

NOT VOTING—13

Bennett	Kilgore	Thye
Capehart	Kuchel	Upton
Cordon	Magnuson	Wiley
Fulbright	McCarran	
Kerr	Smathers	

So, Mr. LONG's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 30, line 4, it is proposed to strike out "$35,000,000" and to insert in lieu thereof "$70,000,000."

Mr. MORSE. Mr. President, my argument in support of the amendment will be brief. As I pointed out yesterday in my speech in support of the Douglas amendment, each State can receive in regular loans in any one year an amount that is proportionate to the

State's percentage of unelectrified farms as compared with the national average.

My State, at the end of fiscal 1953, the last year for which figures are available, was the third highest in percentage of electrified farms, so that, so far as getting money for new loans for unelectrified farms is concerned, its proportionate share would be comparatively low. Despite this fact, as I pointed out yesterday, there is a continuing need in Oregon for funds to expand and heavy up electric co-op systems. The Douglas amendment would not be of great assistance to REA's in the State of Oregon. We need money with which to heavy up our lines, because most of our farms are already electrified, and our percentage under the so-called formula is necessarily low because our percentage of electrified farms is very high.

Therefore, I would supplement what my colleague [Mr. CORDON] said this afternoon by pointing out that in the pending bill we need two types of funds. There is need for funds in those areas where there is a low percentage of electrified farms. The States in which such areas are located have the highest claim under the formula on loans from REA, in order to supply power for the benefit of farmers where no power presently exists.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from South Carolina.

Mr. MAYBANK. Does the Senator's amendment provide for an increase in the overall authorization?

Mr. MORSE. Yes; there would be an increase of $35 million.

Mr. MAYBANK. $35 million?

Mr. MORSE. That is correct. The amendment pertains to the second category of loans which are needed.

We need an increase in funds to meet applications from States, such as my State, which already have a very high percentage of electrified farms and in which the REA transmission lines are not sufficiently heavy to meet the new power demands which those farms require because of the greater use of electricity by them.

What has happened, Mr. President, is that many of the REA's have installed transmission lines which carry a very small load, but, nevertheless, they fall under the formula. Those farms are classified as electrified farms, but they all need much more power. Many of the farmers could use triple the power they now have, but the REA lines are not sufficiently heavy to carry the extra power.

Here, again, Mr. President, it seems to me there are two pertinent facts we should consider when we pass judgment on whether an amendment of this type should be adopted. First, is there a need for the power? There is no question about the fact, that many REA's are seeking to have applications favorably passed upon in order to heavy up their lines because of the tremendous consumer demand for power in their areas. What is happening to those REA's? They are being subjected to a great deal of criticism by the farmers being serviced by them. The farmers say, "There must be something wrong with the system. We want more power, and you are not bringing the power to us."

I have been told by REA representatives that that situation is being used by private utilities which are seeking to undermine REA service. They are saying, "What did we tell you? You cannot expect efficient service from the REA."

Of course, they do not point out that the REA does not have the necessary funds under this formula to make it possible to loan the money needed in order to heavy up their lines.

The second very pertinent fact I would have the Senate keep in mind is that it is easy to say, "Here is MORSE proposing an increase of $35 million."

What I am proposing is that we make available $35 million to the REA's so they can supply improved service to the farmers who will repay the loans with interest. As the Senator from Illinois pointed out in connection with his amendment, many loans are being repaid even in advance of the due date.

The last point I wish to make in support of my amendment is that the power is needed from the standpoint of the national economy. It is needed from the standpoint of agricultural economy. With farm prices falling, Mr. President, we need to do all we can to help the farmer improve his production, and to help him improve his cost situation on the farm. This can be done by supplying him with more power.

I am not asking in effect for an increase in the appropriation in the sense that this money will be spent and the taxpayers will not get it back. Furthermore, let me make clear that it is permissive. Let us look at the language on page 30 of the bill:

And additional amounts, not to exceed—

Seventy million dollars under my amendment—

for the rural-electrification program, may be borrowed under the same terms and conditions to the extent that such additional amounts are required during the fiscal year 1955, under the then existing conditions, for the expeditious and orderly development of the program.

It is permissive language, Mr. President. It leaves it up to the REA to pass judgment in accordance with its wise discretion on each application that comes within the $70 million of loan money for which I provide in my amendment. To use the figure of speech used by the Senator from Oklahoma earlier today, all I am proposing is that we put the money in the REA bank, so to speak, so that the REA can draw upon it, provided the Director of the REA, as the president of the bank, figuratively speaking, decides that the loan requested is sound and desirable.

Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a series of telegrams I have received on the REA issue.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

COQUILLE, OREG., *June 2, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We urge your support on $35 million amendment to REA loan funds.

COOS CURRY ELECTRIC COOPERATIVE, INC.,
BRUCE SHAVERE,
Manager.

VERNONIA, OREG., *June 2, 1954.*

Senator WAYNE MORSE,
United States Senate:

We respectfully urge your undivided support to the $35 million REA generation and transmission loan.

WEST OREGON ELECTRIC CO-OP,
GUY I. THOMAS,
Manager.

EUGENE, OREG., *June 2, 1954.*

WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Know we can depend on you to support $35 million generation and transmission amendment to REA loan fund bill up for Senate vote tomorrow. Appreciate, too, your partnership attitude. Many thanks.

THE LANE COUNTY ELECTRIC COOPERATIVE,
GLEN R. SAWYER, *Manager.*

WASHINGTON, D. C., *June 2, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Strongly urge your vote and utmost efforts today to pass Douglas-Gillette-Humphrey amendment adding $35 million to REA loan authorization. Even this is far from adequate for realistically meeting cooperatives' power supply requirements in view of recent curtailments in Federal power programs.

JAMES G. PATTON,
President, National Farmers Union.

WASHINGTON, D. C., *June 1, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

This is an appeal to you to support more REA loan funds in the agriculture appropriations bill than is recommended by the committee. As testified to by NRECA witnesses, unless a larger item is approved, the opportunity of rural electric systems to form generation and transmission cooperatives to generate their own power will virtually cease to exist and power company wholesale rates to the rural electrics will go up as a result, we believe. Please note particularly the testimony of Floyd Jones, Clay Cochran, and Lewis Amend in the printed hearings. NRECA made careful survey of all systems and determined that $249 million in new funds is necessary to carry the rural electrification program forward through the next fiscal year. Any authorization not needed would, of course, not be used. We would appreciate your support.

CLYDE T. ELLIS,
Executive Manager, National Rural Electric Cooperative Association.

Mr. MORSE. Mr. President, this is such a very important issue in the States in which there is need for more money for loaning purposes outside the formula, that I hope I may have the cooperation of the Senate in obtaining a yea-and-nay vote on this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Maybank
Anderson	Gore	McCarthy
Barrett	Green	McClellan
Beall	Hayden	Millikin
Bennett	Hendrickson	Monroney
Bowring	Hennings	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hill	Murray
Burke	Holland	Neely
Bush	Humphrey	Pastore
Butler, Md.	Hunt	Payne
Butler, Nebr.	Ives	Potter
Byrd	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kefauver	Smith, Maine
Daniel	Kennedy	Smith, N. J.
Dirksen	Kilgore	Sparkman
Douglas	Knowland	Stennis
Duff	Langer	Symington
Dworshak	Lehman	Watkins
Eastland	Lennon	Welker
Ellender	Long	Wiley
Ferguson	Malone	Williams
Frear	Mansfield	Young
Fulbright	Martin	

The PRESIDING OFFICER. A quorum is present.

Mr. MORSE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. YOUNG. Mr. President, reluctantly, I shall have to oppose the amendment offered by my good friend from Oregon. I think the bill now provides about all the money the REA can use for about 2 years. The bill as reported provided $192 million, which included lending authority, carryover, and rescission. By the amendment offered by the Senator from Illinois, which has been agreed to, the REA was granted another $35 million, which now gives it $227 million in lending authority.

The National Rural Electric Cooperative Association asked only for $45 million for the contingency fund, and there is $35 million in that fund now.

I think the National Rural Electric Cooperative Association should be very happy to get all the money which has been made available. Certainly, in the testimony of its representatives, much more emphasis was placed on the basic lending authority than on the contingency fund.

Mr. President, I hope the amendment will not be agreed to.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon [Mr. MORSE]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Minnesota [Mr. THYE] is absent by leave of the Senate. The Senator from Oregon [Mr. CORDON] is absent on official business. The Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], the Senator from California [Mr. KUCHEL], and the Senator from New Hampshire [Mr. UPTON] are necessarily absent.

If present and voting the Senator from New Hampshire [Mr. UPTON] would vote nay and the Senator from Oregon [Mr. CORDON] would vote yea.

Mr. CLEMENTS. I announce that the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The result was announced—yeas 22, nays 61, as follows:

YEAS—22

Case	Johnston, S. C.	Morse
Douglas	Kefauver	Murray
Gore	Kilgore	Neely
Green	Langer	Sparkman
Hennings	Lehman	Symington
Hill	Long	Wiley
Humphrey	Mansfield	
Jackson	Monroney	

NAYS—61

Aiken	Eastland	McCarthy
Anderson	Ellender	McClellan
Barrett	Ferguson	Millikin
Beall	Frear	Mundt
Bennett	Fulbright	Pastore
Bowring	Goldwater	Payne
Bricker	Hayden	Potter
Bridges	Hendrickson	Purtell
Burke	Hickenlooper	Robertson
Bush	Holland	Russell
Butler, Md.	Hunt	Saltonstall
Butler, Nebr.	Ives	Schoeppel
Byrd	Jenner	Smith, Maine
Carlson	Johnson, Colo.	Smith, N. J.
Chavez	Johnson, Tex.	Stennis
Clements	Kennedy	Watkins
Cooper	Knowland	Welker
Daniel	Lennon	Williams
Dirksen	Malone	Young
Duff	Martin	
Dworshak	Maybank	

NOT VOTING—12

Capehart	Gillette	McCarran
Cordon	Kerr	Smathers
Flanders	Kuchel	Thye
George	Magnuson	Upton

So, Mr. MORSE's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONRONEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 19, in line 13, it is proposed to strike out "$5,000,000" and to insert in lieu thereof "$7,000,000."

Mr. MONRONEY. Mr. President, this amendment is a very simple one. It seeks to increase by $2 million the appropriation for watershed protection. We seek to have the appropriation for this item made $7 million, instead of the appropriation of $5 million now carried in the bill.

Mr. President, the purpose of the amendment is to carry out at an accelerated pace the 62 upstream-flood-control projects which Congress started last year. This item is a very important one in the budget. In fact, the President of the United States in his inaugural address and in his message to the Congress has stressed the importance of upstream flood control, which no longer is an experiment, for over a period of more than 14 years we have been building these structures in the small tributaries to the main-artery rivers. Unfortunately, because of the meager appropriations Congress has made, none of these are more than a fraction completed.

In the watersheds in the creek areas which have been so treated the upstream flood-control methods have already proved a tremendous success. In my own State there occur cloudbursts exceeding 10 inches of rainfall in a few hours. In the creek watersheds which have been successfully treated by upstream flood-control methods, soil conservation, check dams, gully plugs, and the other technical engineering which goes into upstream flood control, we have eliminated floods from those tremendous cloudbursts.

Members of the Senate know that more than 50 percent of the flood damage occurs in the agricultural area. It is not merely floods at intervals of 25 years or 50 years that damage farmlands and wash away hundreds of millions of dollars' worth of crops. Floods are an annual occurrence on the small tributaries of our great rivers.

Every cent of the upstream flood-control money is spent not only to further soil conservation, which is largely the core of upstream flood control, but to gear into the soil-conservation program terracing, grass outlets, contour plowing, and other land treatment. By gearing that program into a series of small reservoirs and check dams, we are able to prevent the rise of the tributaries of the great streams of the country, and thereby reduce the necessity for the major main-stem dams which are built solely to control floods.

Last week in the civil functions bill the Senate approved without question appropriations of more than $319 million for the Army engineers. Most of that money is spent on major flood control projects, the mainstem dams on our rivers. The total which is provided in this bill for upstream flood control is approximately $12,500,000. Of this amount, approximately $7½ million goes to the 11 watershed flood prevention projects which have been authorized since 1940. The increase of $2 million which I am asking in the appropriation bill by my amendment would apply to the 62 new projects which were authorized by the Congress last year, and on which work has only begun. If we are to accelerate this program and get it into gear, for the protection of cities and towns, and particularly rural areas, which are flooded year after year by devastating floods from small creek overflow, we must not starve the program. We must put some money into this work so as to furnish a basis for hope that we are going into the program with the funds which it deserves if we are to get the job done.

It seems to me that every dollar spent on this type of flood control will eliminate the need for an expenditure of approximately $10 on flood control downstream. When it is considered that the farmer's share, or the upstream flood control share, for which we are asking an appropriation, is only $1 out of every $90 spent for major structures, I think it is small indeed.

There was appropriated last year for the 62 projects to which I have referred, $5 million. This year, $5 million was appropriated. That makes a total of $10 million which the Congress has put up for the projects now under way. If we do not raise the amount, we shall be providing, for 62 projects, only $161,000 for each project, for a 2-year span of work.

I am sure that every Member of this august body will recognize that precious little construction work can be seriously undertaken if we reduce appropriations for upstream flood control to an average of $161,000 for each project.

This part of the flood-control program has been repeatedly stressed by the administration. It has been endorsed by the Secretary of Agriculture. It was approved by both Houses of Congress last year, when this undertaking was started. It seems to me that in view of those facts, we should add the $2 million now, so that the job may be started in a decent and satisfactory manner. If we do not do it this year, we shall further delay the time when we can see this useful and valuable conservation method, which has so long been advocated by the friends of the soil, placed in operation. It will be delayed for many more years to come.

I earnestly hope that the distinguished chairman of the subcommittee, who has been very friendly to this type of program, will see fit to take my amendment to conference. I believe the House will accede to this slight increase.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

Mr. YOUNG. Mr. President, this is one of the finest programs in America, as my distinguished friend from Oklahoma has just stated. Soil conservation district supervisors work without pay. They do a great amount of work the year around. I do not know of any group in America who are more earnestly dedicated to an important job, namely, that of preserving our soil and water for future generations.

However, this program is just getting underway in the pilot plants. I realize that some additional money is necessary. In fact, the subcommittee had increased the amount $500,000, but as a result of certain adjustments that increase was stricken from the bill in the full committee.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. JOHNSON of Texas. Does the Senator know of anything more basic or important to the Nation than the preservation of our soil and water? That is exactly what this program is accomplishing, is it not?

Mr. YOUNG. That is correct.

I should like to ask the Senator from Oklahoma if he will not reduce somewhat the amount of money sought by his amendment, so that it may be taken to conference without the necessity of a record vote.

Mr. MONRONEY. I am willing to reduce it to $1 million. I do not think it would be useful to put less than that amount in the bill, because there are involved 62 projects. It seems to me that if we put less than $1 million in the bill, we might as well not even considerd the $500,000. It is necessary that this program get underway. The President has made it a distinct part of his program.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. YOUNG. I am glad to yield.

Mr. KNOWLAND. I hope we have not reached the point where anything less than $1 million is considered to be merely small change. I think $500,000, which the distinguished chairman of the subcommittee has indicated he might be prepared to accept, is still a considerable amount of money.

Mr. MONRONEY. I do not disagree with the Senator, but I have seen compromises involving tens of millions of dollars in connection with major downstream dams. We are not talking about one project. We are talking about funds for 62 projects. They are projects which were instituted by the Republican administration last year. The items came over from the House, and the program was started. Let us not try to kid the farmers of America by saying that we are going to undertake upstream flood control and then not furnish the funds with which to put the program into operation. The people who are affected wish to see the work done in their lifetime.

I agree with the Senator from California that $500,000 or $1 million is a considerable sum of money. However, if we divide $1 million among 62 projects, the program, which I think is so vital to the success of an effort designed to prevent the pyramiding cost of annual flood damage which occurs on many of the small tributary streams, will not be accelerated.

Mr. KNOWLAND. I had hoped to avoid the necessity for several more yea-and-nay votes. I had hoped that the Senator would be willing to modify his amendment so as to provide for an appropriation of $500,000. I suggest that if the item were to go to conference with the enthusiastic approval of the committee, it might fare much better in conference than if a larger figure were placed in the bill, with no enthusiasm on the part of the conferees.

Mr. MONRONEY. I am fully appreciative of the difficulties in conference, but I think I had better stand fast and attempt to obtain a record vote on the request for $2 million, rather than limit it to $500,000, because the effect of an expenditure of $500,000 divided among 62 pilot projects, would not be discernible. We cannot spread $500,000 over 62 projects and give any effective indication that the Congress is in earnest when it says it believes in upstream flood control.

Mr. YOUNG. I should like to say to my friend from Oklahoma that yesterday by an amendment the Senate added a million and a half dollars for research. That is a program which many of us favor, but we reluctantly voted against the amendment.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. BRIDGES. I should like to explain to the Senator from Oklahoma, who is a very able and intelligent appraiser of legislation, that this is a pilot-plant operation. It was not contained in the budget last year. It was put in by Congress and started by Congress. When we did that, we agreed to limit it purely to a pilot operation, with the thought in mind that if it proved to be a success and it was desired to expand, specific legislation would be enacted for that purpose.

That is the situation today. There is now pending in Congress, according to the testimony, legislation which would authorize the introduction of a general program along that line. The attitude of the committee was that we were proceeding with a pilot operation and that we did not want to get the program off the track, so to speak, as a pilot operation.

The Senator from New Hampshire and the Senator from North Dakota, as chairman, respectively, of the Committee on Appropriations and of the Subcommittee on Agricultural Appropriations, are in a difficult situation.

First of all, I believe in backing up the committee. I am sorry that some of the members of the committee have not gone along on the matter. While I do not say that the committee is next to God, as the Senator from Oregon [Mr. MORSE] suggested, I believe the members of the committee are able men, that they work very hard, and that they intelligently approach the problems before the committee.

So far as I am concerned, and so far as my understanding of the committee's attitude is concerned, this is a pilot operation. We do not want it to expand over all the country at this time. Such an expansion is a matter for organized effort, with respect to which legislation will have to be passed. It must be remembered that this is a pilot operation.

Mr. YOUNG. Mr. President, so far as I, as the chairman of the subcommittee am concerned, I would be willing to take to conference an amendment increasing the amount by $1,000,000.

Mr. MONRONEY. I thank the Senator. I shall modify my amendment accordingly. Mr. President, in accordance with the suggestion of the distinguished chairman of the Subcommittee on Agricultural Appropriations, I modify my amendment to read "$6,000,000" instead of "$7,000,000."

The PRESIDING OFFICER. The Senator from Oklahoma modifies his amendment accordingly. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY], as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. EASTLAND. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 27, line 5, after the numerals "1946", it is proposed to insert a colon and the following proviso:

Provided, That the Secretary shall establish two additional cotton classing offices in the southern half of Mississippi, one to be located at Prentiss, in Jefferson Davis County, and one to be located at Hattiesburg in Forrest County: *Provided further*, That the Secretary shall establish an additional cotton classing office at Batesville, Panola County, in the northern half of Mississippi.

Mr. EASTLAND. Mr. President, I ask the distinguished chairman of the Committee on Appropriations to take the amendment to conference. It merely provides for three additional classing offices for the classing of cotton for Government loans. There is not a classing office within miles of the proposed locations.

Mr. YOUNG. Is any additional appropriation involved?

Mr. EASTLAND. No additional appropriation is involved.

Mr. YOUNG. Does the Senator from Mississippi believe the establishment of such offices is absolutely necessary?

Mr. EASTLAND. I know that to be the fact.

Mr. YOUNG. I see no objection to taking the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. YOUNG. Mr. President, I ask unanimous consent that the order for the engrossment of the amendments and the third reading of the bill may be rescinded, so that the Senator from Idaho [Mr. WELKER] may offer an amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? Without objection, it is so ordered.

Mr. WELKER. Mr. President, I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 12, line 21, it is proposed to strike out "$2,430,000" and insert in lieu thereof "$2,490,000"; and on page 13, line 8, to strike out "$5,015,000" and insert in lieu thereof "$5,075,000."

Mr. WELKER. Mr. President, the amendment involves the sum of $60,000. In checking the agricultural appropriations for 1955, particularly the item under forest tests, I discovered that an item of $60,000 had not been included. The $60,000 was previously appropriated to provide technical supervision and leadership for the white-pine blister-rust-control program, which is conducted on State and private lands. By the recent reorganization of the Department of Agriculture, the Bureau of Entomology, which originally handled white-pine blister-rust control, has been integrated with the United States Forest Service. Through this integration the item of technical supervision and leadership has been overlooked for cooperative work on State and private lands. There are 12 professionally trained individuals who are now on the payroll and who will have to be dropped as of July 1 if these funds are not made available, and the control program itself would suffer through the lack of leadership and proper guidance.

It is my understanding that at the present time the State and private agencies are providing some $75,000 a year for blister-rust-control work. I do not believe it to be in the interest of all concerned to lose these 12 well-trained employees at this time and leave the cooperative white-pine blister-rust-control program without the proper leadership.

I ask the distinguished chairman of the committee to take the amendment to conference. The amount was included in the bill in past years, and everyone who lives in a State where white pine grows knows the merits of having proper leadership so that the pests which are destroying the white-pine timber stands throughout the land may be exterminated.

Mr. YOUNG. Mr. President, I may say to the Senator from Idaho that the control of the white pine blister rust has been consolidated in the bill with the forest pest control work, resulting in a reduction of $271,354 in the appropriation for 1954. The $60,000 was evidently omitted as a result of such consolidation. Therefore, I believe the Senator from Idaho is correct in saying that there will be a reduction of $60,000 in this control work.

Under the estimates of the Bureau of the Budget a great amount of this control work was eliminated. The House Committee on Appropriations reinstated much of the work, more was reinstated on the floor of the House, and the Senate Committee on Appropriations reinstated practically all the appropriations for the control of pests and plant diseases. This is the only remaining item.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WELKER. Based upon the Senator's long experience in the handling of this type of legislation, and realizing that some persons might object, does not the Senator feel that we would be penny-wise and dollar foolish if we dropped these 12 men who must direct and who have the skill to direct this program which will save the white pine timber of the Nation?

Mr. YOUNG. I am not much of a forester, but, after listening to the testimony before the committee, it seems to me that this work is very important for the preservation of the forests of Idaho and other forests in that general area.

Mr. WELKER. I hope the Senator can see fit to take the amendment to conference.

Mr. BRIDGES. Mr. President, the committee gave very careful consideration to these various items. It readjusted, as the Senator from North Dakota has said, the general items for this purpose. It so happened that perhaps more emphasis was placed on other pests and plant diseases than on the white-pine blister rust. The committee received countrywide pressure with reference to these provisions. Certainly, it is not in any way the intention of the committee to lessen the effectiveness of the work to eradicate white-pine blister rust. The forests are one of the last great natural resources we have which, by proper attention, will increase as an asset as the years go by.

As chairman of the full committee, I should be glad to take the amendment to conference.

Mr. WELKER. Mr. President, will the Senator from New Hampshire yield before the Senator from Oregon [Mr. MORSE] leaves the floor?

Mr. BRIDGES. I yield.

Mr. MORSE. Mr. President, I thought it was all settled.

Mr. WELKER. I am certain that the junior Senator from Oregon, the senior Senator from Oregon, and the chairman of the Committee on Agriculture and Forestry are aware of the danger which faces our white-pine timber stands, and I believe they will agree with me that the $60,000 should be restored to the bill.

Mr. MORSE. Mr. President, when I heard the chairman of the Appropriations Committee say he would take the amendment to conference, I knew the battle had been won, and I was not going to waste any ammunition.

Mr. YOUNG. Mr. President, I am perfectly willing to take the amendment to conference with the understanding that if we can make some adjustments without increasing the amount I shall be glad to do so.

Mr. WALKER. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes."

Mr. YOUNG. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. YOUNG, Mr. FERGUSON, Mr. MCCARTHY, Mr. MUNDT, Mr. AIKEN, Mr. RUSSELL, Mr. HAYDEN, and Mr. MCCARRAN conferees on the part of the Senate.

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937, AS AMENDED

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1486, Senate bill 2178.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2178) to amend the Railroad Retirement Act of 1937, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment.

EMERGENCY SHIP-REPAIR LEGISLATION

Mr. BUTLER of Maryland. Mr. President, in a statement made on the floor on May 11, I called attention to the depressed condition of many of the Nation's shipyards. Pending ship-construction legislation, I pointed out, would not result in new construction contracts this year in time to prevent many of the yards from closing down, with resultant disposal of their skilled design and technical workers.

An emergency program was urgent, I declared, otherwise the end of the year would find the vital mobilization potential of the shipbuilding industry far below Defense requirements, almost nonexistent, in fact.

I suggested, therefore, the desirability of taking a number of strategic merchant vessels from the laid-up national defense Reserve fleet—vessels that would surely be needed at the first impact of war or emergency, and placing them promptly in the key shipyards for whatever work might be needed to put them in readiness for immediate use.

In line with this suggestion, the Water Transportation Subcommittee held two public hearings, on May 19 and May 26, to develop factual data on which to base necessary legislation. At the first of these hearings, the president of the Shipbuilders Council of America, officials of seven leading ship construction and ship repair yards, and representatives of maritime labor were unanimous in predicting that, in the absence of new work in the months immediately ahead, the major portion of the country's shipyards would be closed, or employment down to such low levels as to render the country highly vulnerable in case of sudden emergency.

Need for the type of program such as had been proposed was supported by the testimony of Government departments, represented by the Maritime Administration, Louis L. Rothschild, and Rear Adm. B. E. Manseau, Acting Chief of the Navy's Bureau of Ships.

Mr. Rothschild told the subcommittee that a joint maritime-Navy review of the latest mobilization requirements for vessels in the reserve fleet indicate there are 205 ships which "any reserve fleet repair program must include as a minimum." In the event of full mobilization, he said, the need for these vessels would be "immediate and urgent." If any program is undertaken, the Maritime Administration emphasized, "we would propose to give this particular group of ships a very high priority."

The estimated cost of the repair and conversion work on these 205 ships, including the breaking out and towing, was put at $45 million by Mr. Rothschild. This work would provide, he estimated, from 4,200- to 5,000-man years of employment to ship production workers. Of the 205 ships, 92 presently are in the reserve fleet on the east coast, 32 on the gulf coast, and 81 on the west coast.

Admiral Manseau, who was pinch-hitting for Rear Adm. Wilson D. Leggett, Jr., Chief of the Bureau of Ships, declared:

> The proposed emergency program would benefit the distressed shipbuilding and ship repair industry and, at the same time would augment the strength-in-being of our reserve merchant fleet.

Previously, Admiral Leggett had warned our subcommittee at public hearings, that the shipbuilding industry is not prepared today to meet the sudden challenge of a full-scale emergency. No new orders for oceangoing ships were placed in 1953. It would appear that the shipbuilding potential of our country must be supported by some interim, emergency measure such as an emergency construction program.

> It is not my responsibility—

The admiral continued—

> to recommend what such a program should be. For the provision of minimum workload in the shipyards, however, the program should start at the earliest possible time and consist of at least 20 ships annually.

So the admiral and our subcommittee are thinking along the same lines.

Accordingly, Mr. President, I am introducing today for myself and the senior Senator from Massachusetts [Mr. SALTONSTALL], the junior Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. CORDON], the Senator from Maine [Mr. PAYNE], the Senator from Michigan [Mr. POTTER], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Louisiana [Mr. LONG], a bill whose purpose is to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense.

The necessary hearings having been held, it is our hope that the bill can be cleared with the Government departments with the utmost dispatch.

The Director of the Bureau of the Budget, in a letter to me under date of May 27, 1954, has already advised me that the President has authorized him to state that the executive department will cooperate fully in developing constructive solutions to shipbuilding problems, and a possible program for repairs of reserve fleet ships.

The situation is critical, and time is of the essence. I earnestly solicit the support of all Senators when the bill is brought to the floor.

There being no objection, the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, introduced by Mr. BUTLER of Maryland (for himself, Mr. CORDON, Mr. PAYNE, Mr. POTTER, Mr. LONG, Mr. SMITH of New Jersey, Mr. HENDRICKSON, Mr. KENNEDY, and Mr. SALTONSTALL), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

REIMBURSEMENT OF EXPENSES OF VAL R. LORWIN IN HIS DEFENSE AGAINST FALSE CHARGES OF COMMUNIST ACTIVITIES

Mr. KEFAUVER. Mr. President, for myself and on behalf of the senior Senator from Missouri [Mr. HENNINGS], I had intended to introduce a bill to reimburse Mr. Val R. Lorwin for the expenses he incurred in defending himself against false accusations.

Last week Mr. Warren Olney, Assistant Attorney General in charge of the Criminal Division of the Department of Justice, asked that the case against Mr. Lorwin be dismissed, admitting that the Department had no case against him. Mr. Olney, in his appearance before District Judge Edward M. Curran, also admitted that the indictment of Lorwin had been based on false statements.

Mr. Olney said that there was "never any basis for the statement" by a trial attorney for the Justice Department before the grand jury that two FBI informants existed to identify Lorwin as a Communist.

I want to compliment Mr. Olney on his effort at fair play.

Mr. President, the bill that I intended to introduce would have covered only Mr. Lorwin's actual expenses in his long fight to clear his name of the charges which the Justice Department now admits are false and unfounded. We cannot, of course, reimburse him or his wife for the years of worry that they have endured. That was their contribution toward the good fight which we all must wage against the un-American influences prevalent in our society which thrive upon false accusations and false accusers.

Mr. President, the Government was party to Mr. Lorwin's persecution. Therefore, it is only fair and just that we do what we can to recompense him.

We all owe a debt of gratitude toward him. He might have quietly resigned, and have been spared the humiliation, the expense, and the troubled years.

But he did not. He fought—as those who believe in liberty and justice should fight.

I hope that his action will be an inspiration to others in the same boat. I had hoped that by the passage of a bill reimbursing him, we of the Senate would show that we still believe in the traditions of justice which abhor false accusers and false accusations.

Mr. President, I am not introducing the bill and I wish to explain why.

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 17, 1954
For actions of June 16, 1954
83rd-2nd, No. 111

CONTENTS

HIGHLIGHTS: House passed surplus commodities bill. House conferees were appointed on agricultural appropriation bill. House agreed to conference report on independent offices appropriation bill. Senate committee reported trade agreements bill. Senate debated defense appropriation bill. Sen. Knowland inserted list of large corn, cotton, and wheat loans. Sen. Humphrey criticized reduction in dairy supports. Rep. Miller, Nebr., introduced and discussed bill to establish national water resources policy.

HOUSE

1. SURPLUS COMMODITIES; FOREIGN AID. Passed with amendments S. 2475, to increase the consumption of U. S. agricultural commodities in foreign countries, etc. (pp. 7917-36).

Agreed to the following amendments:
By Rep. Hope, to permit CCC funds to be used in financing non-CCC surplus commodities (p. 7917).
By Rep. Abernethy, to delete language assuring that sales under the bill would not disrupt world prices of like commodities (pp. 7917-19).
By Rep. Martin, Iowa, to insert language to protect the domestic mining industry in connection with stockpiling activities and to authorize a supplemental stockpile (pp. 7919-21).
By Rep. Dies (by a vote of 64 to 45), to prohibit sales of commodities where the sale would enable the receiving country to sell to Iron Curtain countries or would increase trade between countries dealing with Iron Curtain countries (p. 7931).
By Rep. Judd, as amended by an amendment by Rep. Bailey, to provide that payment for commodities may consist of strategic materials, services, and foreign currencies (pp. 7931-2).
By Rep. Bailey, to require (rather than authorize) CCC aid for distress and disaster in the U. S. (p. 7932).
By Rep. Gathings, to permit use of title I funds for international educational exchange program (p. 7933).

By Rep. Heselton, to permit aid to intergovernmental organizations (pp. 7933-4).
By Rep. Marshall, requiring the labeling of famine assistance gifts to show that they came from the U. S. (p. 7934).
By Rep. Harrison, Nebr., to insure that CCC will get credit for foreign currencies used by Government agencies (p. 7934).
By Rep. Javits, to require that CCC certify the selling price in dollars to the recipient of what is being sold for foreign currencies (pp. 7935-6).

Rejected amendments by Rep. Davis (pp. 7921-5), Rep. Cooley (pp. 7925-6), Rep. Tollefson (pp. 7926-31), Rep. Williams (pp. 7934-5), and Rep. Fulton (p. 7935).

2. AGRICULTURAL APPROPRIATION BILL, 1955. Reps. Andersen, Horan, Hunter, Laird, Taber, Whitten, Cannon, and Marshall were appointed as conferees on this bill, H. R. 8779 (p. 7916). Senate conferees were appointed June 2.

3. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. Agreed to the conference report on this bill, H. R. 8583, and acted on amendments which had been reported in disagreement (pp. 7936-7).

4. RECLAMATION. The Rules Committee reported a resolution for consideration of H. R. 4854, to authorize the Foster Creek division of the Chief Joseph Dam project, Wash. (p. 7917).

5. SURPLUS PROPERTY. Passed without amendment H. R. 9232, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation (p. 7940).

6. WATER RESOURCES. A subcommittee of the Interior and Insular Affairs Committee voted to report to the full Committee H. R. 2843, to authorize the Interior Department to investigate and report to Congress on the conservation, development, and utilization of water resources in Hawaii (p. D693).

7. BANKING AND CURRENCY. Passed without amendment H. R. 8729, to extend until June 30, 1956, the authority of Federal Reserve Banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time (pp. 7937-44).

8. HOUSING bill, H. R. 7839, is to be debated today (p. D692).

SENATE

9. TRADE AGREEMENTS. The Finance Committee reported without amendment H. R. 9474, to extend until June 12, 1955, the authority of the President to enter into trade agreements (S. Rept. 1605) (p. 7866).

10. RESEARCH. Received from this Department a printed copy of the OES report for 1953; to Agriculture and Forestry Committee (p. 7866).

11. SCS AUDIT. Received from the Acting Comptroller General a report on the audit of SCS for the fiscal years 1951 and 1952; to Government Operations Committee (p. 7866).

12. IMPORTS. The Finance Committee reported with amendments H. R. 7709, to extend the date of suspension of certain import taxes on copper (S. Rept. 1608) (p. 7866).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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CONTENTS

HIGHLIGHTS: House received conference report on agricultural appropriation bill. Senate passed watershed bill. House passed forest-land use bill. Surplus commodities bill was sent to conference. Senate debated trade agreements bill. Senate committees reported tax revision bill and Labor-HEW appropriation bill. Both Houses agreed to conference report on Army flood-control appropriation bill, but Sen. Long entered motion to reconsider. Rep. Neal criticized surplus commodities bill and high price supports. Senate committee made decisions on farm program bill. Senate committee voted to report Federal employees' life insurance bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1955. Received the conference report on this bill, H. R. 8779 (pp. 8187-9). Attached to this Digest are statements pertaining to the measure.

2. SURPLUS COMMODITIES. Reps. Hope, Andresen, Hill, Cooley, and Poage, and Sens. Aiken, Young, Thye, Hickenlooper, Schoeppel, Ellender, Johnston, Holland, and Anderson were appointed conferees on S. 2475, to aid in disposal of surplus agricultural commodities (pp. 8142-4, 8233-4).

3. FLOOD-CONTROL APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 8367, the Army civil functions appropriation bill for 1955, which includes flood-control items; but Sen. Long entered a motion to reconsider the Senate vote (pp. 8155-8, 8209-10).

4. FORESTRY. Passed as reported H. R. 2762, to revise the authority of the Department to issue permits for construction on and use of areas within the national forests for various purposes connected with commercial and industrial development, public use by State and other governmental agencies, and for educational

and recreational purposes (p. 8193).

The Government Operations Committee submitted reports on "The Government in Business — Commissaries — Forest Service — Part 3" (H. Rept. 1908) and "The Government in Business — Sawmills — Part 4" (H. Rept. 1909)(p. 8241).

5. DISBURSING; PAYROLLING. Agreed to the conference report on S. 2844, to make permanent the authority for U. S. disbursing officers to perform certain financial transactions, such as payments in foreign currencies in connection with foreign duty (p. 8208).

Passed with amendment S. 2728, to authorize collection of indebtedness of Government personnel resulting from erroneous payments (pp. 8208-9).

6. LAND TRANSFERS. Concurred in the Senate amendments to H. J. Res. 458, to direct USDA to quitclaim retained rights in a tract of former FHA land to the Board of Education of Irwin County, Ga. (p. 8189). This measure will now be sent to the President.

Passed as reported H. R. 4928, to authorize sale of a tract of land at the U. S. Animal Quarantine Station to Clifton, N. J. (p. 8193).

7. RECLAMATION. Passed without amendment H. R. 8027, to extend for 3 years the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws (p. 8198).

8. PHILIPPINE IMPORTS. Discussed and, at the request of Rep. Bonner, passed over H. R. 9315, to provide for an extension on a reciprocal basis of the period of free entry of Philippine articles into the U. S. Rep. Bonner objected to the bill because the Philippine Government has rejected a bill to remove the restrictions on importation of Virginia leaf tobacco into the Philippines. (pp. 8206-7.)

9. EDUCATION. House conferees were appointed on H. R. 9040, to authorize cooperative research in education, and H. R. 7434, to establish a National Advisory Committee on Education (p. 8225). Senate conferees have been appointed.

10. BUILDINGS. The conferees agreed to file a report on H. R. 6342, to authorize purchase contracts for the erection of new Federal buildings (p. D721).

Rep. McCormack commended the service of William E. Reynolds, Commissioner of the Public Buildings Service (p. 8237).

11. FOREIGN TRADE. Rep. Williams, N. J., spoke in favor of expansion of foreign trade and the Randall Commission recommendations (pp. 8225-33).

12. BANKING AND CURRENCY. Rep. Patman criticized the current policies regarding Federal Reserve requirements, etc. (pp. 8237-9).

13. STOCKPILING APPROPRIATIONS. Received from the President a supplemental appropriation estimate of $380,000,000 for 1955 for stockpiling strategic and critical materials (H. Doc. 441)(p. 8240).

14. VIRGIN ISLANDS. Passed with amendments S. 3378, to revise the organic act of the Virgin Islands (pp. 8210-22). No change was made in the provision regarding importation of diseased animals.

15. FARM LOANS. Passed as reported H. R. 5997, to provide that the Hawaii Legislature may authorize the issuance of general obligation bonds for purchase and making of mortgages on homes and farms of veterans (p. 8197).

Conference Report -- Agricultural Appropriations for 1955
(Reported June 22, 1954)

Funds and Principal Language Changes

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	AGRICULTURAL RESEARCH SERVICE:		
	Salaries and expenses:		
	Research:		
1	Senate inserted language authorizing not to exceed $100,000 for construction of a cotton ginning laboratory in the Southeast, including acquisition of necessary land	Senate inserted	*
	Senate agreed to amount contained in Budget and House Bill, but earmarked funds for purposes other than those proposed in Budget and House Bill, as follows:		
	Cereal crop research:		
	Oats ..... +$50,000		
	Wheat ..... +100,000		
	Corn ..... +50,000		
	Barley ..... +35,000		
	Flax ..... +20,000		
	Rice ..... +40,000		
	Soybean crop research ..... +100,000		
	Cottonseed research (for cold resistant cottonseed) ..... +40,000		
	For construction of a branch cotton ginning laboratory in the Southeast (see Amendment No. 1 above) .... +100,000		
	For development of physical facilities at the National Arboretum ..... +20,000		
	Total increase ..... +555,000		
	Conferees agreed to Senate earmarking with the understanding that none of the offsetting reductions be made in the Budget increases for (1) research on diseases and pests of fruit, vegetable, and other crops; (2) research on horticultural crops; (3) research on diseases of livestock and poultry; and (4) utilization research to develop new and improved uses for agricultural products in surplus.		

* Reported in disagreement.

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	None of the offsetting reductions should be applied in such manner as to seriously impair the work under any project provided for in this appropriation. It is also the desire of the conferees that insect pollination work be strengthened.		
	Plant and animal disease and pest control:		
2	Senate and Conferees provided increases as follows:		
	Citrus blackfly and Mexican fruitfly control	+$29,500	+$29,500
	Hall scale eradication	+35,200	+35,200
	Insect detection and advisory service.	+66,800	- -
	Insecticide, Fungicide and Rodenticide Act	+21,413	- -
	Plant quarantine	+86,400	+86,400
	Eradicating scabies	+18,547	+18,547
	Eradicating cattle ticks	+58,552	+58,552
	Control of manufacture, importation, shipment and marketing of viruses, serums, toxins, etc.	+41,808	- -
	Total	+358,220	+228,199
	Meat inspection:		
	Senate restored House cut	+135,000	+135,000
	Conference report states that the increase should be used to meet the need of the smaller meat packers .		
	Foot-and-mouth and other contagious diseases of animals and poultry, Research:		
	Senate restored House cut for research on foot-and-mouth disease to be conducted at facilities on Plum Island, New York	+334,000	+100,000
	EXTENSION SERVICE:		
	Federal Extension Service:		
	Penalty mail:		
	Senate restored House cut	+115,000	+57,500
	FOREST SERVICE:		
	Salaries and expenses:		
	National forest protection and management:		
	Senate and Conferees provided increases as follows:		

Amend-ment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	Maintenance of improvements	+150,000	+150,000
	Forest rangers, forest supervisors, and other multiple activity employees ..	+162,300	- -
	Management of land utilization projects under title III of the Bankhead-Jones Act	+415,000	+207,500
	Total	+727,300	+357,500
	Control of forest pests:		
, 8, 9, & 10	Senate and Conferees provided net increases as follows:		
	White pine blister rust control:		
	Leadership, coordination and technical direction	+60,000	+30,000
	Control work on national forests ...	+110,000	+55,000
	Control work on State and private lands	-330,000	-165,000
	Forest Pest Control Act (increase in contingency fund)	+435,000	+217,500
	Total	+275,000	+137,500
	Forest research:		
11	Senate provided an increase of $390,000 as follows:		
	To accelerate investigations in timber growing, harvesting, and utilizing forest crops in southern Illinois .....+$150,000		
	To establish a forest research center in eastern Kentucky to carry out studies on forest management, harvesting and utilization ..... +40,000		
	To accelerate hardwood forest management studies at Bartlett Experimental Forest in New Hampshire ..... +25,000		
	To establish a forest research station in Georgia to strengthen research on Piedmont hardwoods ..... +175,000	+390,000	+10,000
	Conference report states as follows: "The additional $10,000 is provided to enable the Department to make a special study and report to the appropriations committees of the two Houses on the need for additional funds for the four proposals contained in the Senate amendment and the Northern Lakes Research Center."		

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	Acquisition of lands for National Forests, Weeks Act:		
12	Senate provided increase to accelerate the purchase of certain trust allotment lands belonging to the Chippewa Indians	+50,000	+50,000
	State and private forestry cooperation:		
13	Senate provided increase for cooperation with the States in forest fire control on State and private forest lands, under the Clark-McNary Act	+75,000	+75,000
14	Cooperative range improvements	+219,000	+119,000
	SOIL CONSERVATION SERVICE:		
	Conservation operations:		
15	Senate provided increase for operation of nurseries	+120,000	+120,000
16	Watershed protection	+1,000,000	+500,000
	Flood prevention:		
17	Senate provided increase for works of improvement on the 11 authorized watersheds	+500,000	+500,000
	Conferees agree that the Department should make distribution of the increase in line with existing distribution among the 11 authorized watersheds. The Conference report also states: "Funds contained in the flood prevention appropriation for the Los Angeles and Santa Ynez watersheds shall be used for the portions of work covered in the flood survey reports and defined as 'Additional Measures to Accelerate Flood Prevention' to the full extent necessary to keep the overall flood prevention program in balance."		
	AGRICULTURAL CONSERVATION PROGRAM:		
18	House inserted language, proposed for deletion in the Budget, authorizing the use of funds for the preparation and display of exhibits. Senate deleted. Conferees agreed with House action.	Senate struck	Senate recedes
19	House inserted language limiting the 1955 program to $195,000,000 (total authorization of $250,000,000) until a final program has been adopted relative to the use of acreage diverted from production. Senate deleted House language and inserted Budget language		

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	limiting the 1955 program to $195,000,000 until the Secretary has announced, as a condition of eligibility for price support, limitations on the use of land being diverted from crops under acreage allotments in 1955. Conferees agreed with House action.	Senate revised	Senate recedes
20	Senate inserted language providing that the funds available for payments and grants within the $195,000,000 of the $250,000,000 authorization for the 1955 program shall be distributed among the States in the same proportion as the original allocation of funds for the 1954 agricultural conservation program. Conference report states: "It is the understanding of the conferees that the sum of $195 million will be distributed among the several States on the same basis as the allocation of funds for the 1954 program. It is also understood that any portion of these funds may be used on diverted acres where local needs warrant such use and such practice is approved at the local level. "In view of the action of the conferees with reference to diverted acres the Department need not clear further with either appropriations committee on this matter."	Senate inserted	*
	AGRICULTURAL MARKETING SERVICE:		
	Marketing research and service:		
	Marketing services:		
21	Senate and Conferees provided increases as follows:		
	Livestock market news service at Houston, Texas, to be financed on a matching basis	+6,000	+6,000
	Fruit and vegetable market news service for Arizona for 9 instead of 6 months service, to be financed on a matching basis	+6,000	+6,000
	For indirect overhead costs of poultry and egg inspection services in lieu of charging fees for such costs	+200,000	+100,000
	Total	+212,000	+112,000

* Reported in disagreement.

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	AGRICULTURAL MARKETING SERVICE: continued		
	Marketing research and service: continued		
	Marketing services: continued		
	Conference report states that the increase of $100,000 for poultry and egg inspection services has been agreed to on the basis that the indirect overhead costs for poultry and egg inspection will be handled on the same basis as is followed for inspection services for fruit and vegetables.		
22	Senate inserted language requiring establishment of three additional cotton classing offices in Mississippi. Conference report states as follows:		
	"This amendment, which would have established three permanent cotton classing offices in Mississippi by statute, would give to that State more than twice as many classing offices as any other State in the Cotton Belt and would be contrary to policy of the Congress of having relatively few permanent year-around offices. The conferees do agree, however, that cotton classers should be assigned to the markets provided for in the Senate amendment for the major part of the marketing season, with local aid in providing essential office facilities and physical equipment.		
	"Such expansion of classing activities geographically during the marketing season is in line with the policy established by Congress several years ago, which directed that funds for cotton classing under the Smith-Doxey Act should be borrowed from the Commodity Credit Corporation and restored to such corporation by subsequent appropriation. The purpose of such change in policy was to prevent the expense of a great number of permanent year-around cotton classing offices. It was intended that the classing service expand its activities during the busy season and contract them during other periods. The expansion expected and desired was not merely the expansion of the work force at existing offices but		

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	was the extension of classing service to other cotton markets and regions during the major marketing season. To restrict such cotton classing during the marketing season to the few places now having permanent offices is to give a distinct marketing advantage to such locations. "While the conferees are directing expansion only in the three locations named in the Senate amendment, it is believed that the Department should establish similar suboffices in the Cotton Belt where, in the opinion of the Secretary, cotton marketed or handled justifies such suboffices and local people are willing to provide the cost of necessary office space and physical equipment."	Senate inserted	Senate recedes
	School lunch program:		
23	Senate reduced House Bill to the amount provided for 1954	-227,803	-227,803
	COMMODITY STABILIZATION SERVICE:		
	Agricultural adjustment programs:		
24	Senate partially restored House cut for work on acreage allotments and marketing quota programs	+1,750,000	+1,250,000
	Sugar Act program:		
25	Senate increased the administrative expense limitation to provide funds for payment of cost-of-living allowances in Puerto Rico and the Virgin Islands	[+48,000]	[+48,000]
	FEDERAL CROP INSURANCE CORPORATION:		
26	Senate provided increase for sales and servicing of new contracts in lieu of language proposed in Budget to permit payment of such costs from premium income	+500,000	+300,000
	RURAL ELECTRIFICATION ADMINISTRATION:		
	Loan authorizations:		
27	Senate increased rural electrification loan authorization	+35,000,000	+35,000,000

Amendment No.		Increases and Decreases: Senate Compared With House Bill	Increases and Decreases: Conference Action Compared With House Bill
	FARMERS' HOME ADMINISTRATION:		
	Loan authorizations:		
28	Senate increased amount for production and subsistence loans	+2,500,000	+2,500,000
	Salaries and expenses:		
29	Senate reduced House Bill to an amount $300,000 above the Budget. This increase includes $92,000 for payment of cost-of-living allowance in Puerto Rico and the Virgin Islands	-1,200,000	-200,000
	OFFICE OF THE SOLICITOR:		
30	Senate partially restored House cut	+60,000	+30,000
	OFFICE OF THE SECRETARY:		
31	Senate partially restored House cut	+60,000	+30,000
	OFFICE OF INFORMATION:		
32	Senate restored House disallowance of proposed Budget increase to help meet requests for agricultural information from television stations	+15,600	+15,600
33	Senate increased printing limitation to provide for printing Yearbook of Agriculture	[+213,000]	[+213,000]
	GENERAL PROVISIONS:		
	Section 501:		
34	Senate restored House cut in the limitation on the replacement of passenger motor vehicles.....	[+121]	[+75]
	Section 510:		
35	Senate inserted language to restrict loans for expansion or operation of broiler production facilities.	Senate inserted	Senate recedes
36	Senate amended title and citation of appropriation bill to include reference to the Farm Credit Administration. Conferees agreed with Senate action.	Senate revised	House agrees

UNITED STATES DEPARTMENT OF AGRICULTURE

Summary of Appropriations and REA and FHA Loan Authorizations, 1955, Compared with Appropriations and Loan Authorizations, 1954, and Budget Estimates, 1955

[Note.--Amounts for 1954 are adjusted for comparability with the appropriation structure in the 1955 Agricultural Appropriation Act.]

Agency or Item	Appropriations and Loan Authorizations, 1954	Budget Estimates, 1955	Appropriations, 1955	Increase (+), or Decrease (-), Appropriations, 1955, Compared With: Appropriations and Loan Authorizations, 1954	Budget Estimates, 1955
ANNUAL APPROPRIATIONS FOR REGULAR ACTIVITIES:					
Agricultural Research Service:					
Research	$32,902,365	$35,353,000	$35,353,000	+$2,450,635	- -
Plant and animal disease and pest control, and meat inspection	32,110,650	29,325,000	32,014,579	-96,071	+$2,689,579
Payments to State Experiment Stations	13,721,708	19,453,708	19,453,708	+5,732,000	- -
Foot-and-mouth and other contagious diseases of animals and poultry	- -	2,134,000	1,900,000	+1,900,000	-234,000
Extension Service (principally payments to States)	35,294,564	43,600,000	43,542,500	+8,247,936	-57,500
Forest Service	78,648,408	71,882,500	75,184,890	-3,463,518	+3,302,390
Soil Conservation Service	59,504,279	55,378,000	59,565,671	+61,392	+4,187,671
Watershed protection	5,000,000	5,000,000	5,500,000	+500,000	+500,000
Flood prevention	6,982,000	5,739,000	7,482,000	+500,000	+1,743,000
Agricultural Conservation Program Service	226,982,000	195,000,000	a/ 191,700,000	-35,282,000	-3,300,000
Agricultural Marketing Service:					
Marketing research and agricultural estimates	8,702,200	10,215,000	10,215,000	+1,512,800	- -

Marketing services	11,763,053	11,243,500	11,575,500	-187,553	+332,000
Payments to States	573,000	900,000	900,000	+327,000	- -
Repayment to Commodity Credit Corporation for certain grading and classing costs in 1952 and 1953	768,505	441,655	441,655	-326,850	- -
School lunch program	83,236,197	68,000,000	83,236,197	- -	+15,236,197
Foreign Agricultural Service	840,900	965,000	965,000	+124,100	- -
Commodity Stabilization Service:					
Agricultural adjustment programs	44,312,000	42,500,000	41,250,000	-3,062,000	-1,250,000
Sugar Act program	59,608,287	59,600,000	59,600,000	-8,287	- -
Federal Crop Insurance Corporation	7,450,000	5,700,000	6,000,000	-1,450,000	+300,000
Rural Electrification Administration (Salaries and expenses)	7,554,250	7,085,000	7,285,000	-269,250	+200,000
Farmers' Home Administration (Salaries and expenses)	26,737,000	22,250,000	23,550,000	-3,187,000	+1,300,000
All other	7,532,073	6,925,950	7,046,950	-485,123	+121,000
Total, Annual Appropriations for Regular Activities	750,223,439	698,691,313	723,761,650	-26,461,789	+25,070,337
Deduct amounts, included above, appropriated from other than the general fund of the Treasury	531,000	281,000	410,000	-121,000	+129,000
Total, Annual Appropriations for Regular Activities from the General Fund of the Treasury	749,692,439	698,410,313	723,351,650	-26,340,789	+24,941,337
SPECIAL ACTIVITIES:					
Research on agricultural materials or substitutes determined by the Office of Defense Mobilization to be strategic and critical as required by the Strategic and Critical Materials Stock Piling Act	439,500	331,500	331,500	-108,000	- -

Disaster loan revolving fund (assistance to farmers and stockmen in drought-stricken areas)	130,000,000	- -	- -	-130,000,000	- -
Total, Special Activities	130,439,500	331,500	331,500	-130,108,000	- -
PERMANENT APPROPRIATIONS:					
Removal of surplus agricultural commodities (30% of customs receipts)	169,954,002	180,000,000	180,000,000	+10,045,998	- -
All other permanent appropriations	29,751,352	29,895,587	29,895,587	+144,235	- -
Total, Permanent Appropriations	199,705,354	209,895,587	209,895,587	+10,190,233	- -
LOAN AUTHORIZATIONS:					
Rural Electrification Administration Loans	b/ 202,500,000	c/ 130,000,000	c/ 210,000,000	+7,500,000	+80,000,000
Farmers' Home Administration Loans	182,000,000	145,500,000	148,000,000	-34,000,000	+2,500,000
Total, Loan Authorizations	384,500,000	275,500,000	358,000,000	-26,500,000	+82,500,000
CORPORATE ADMINISTRATIVE EXPENSE LIMITATION:					
Commodity Credit Corporation	20,000,000	18,000,000	18,000,000	-2,000,000	- -

TREASURY CANCELLATION OF COMMODITY CREDIT CORPORATION NOTES:	Notes Canceled in 1954 Act for 1952 Program	Supplemental, 1954 for 1953 Program (P.L. 295)	Increase (+), or Decrease (-)
For restoration of capital impairment, Commodity Credit Corporation	$96,205,161	$550,151,848	+$453,946,687
For eradication of foot-and-mouth and other contagious diseases of animals and poultry	7,057,575	2,064,060	-4,993,515
To cover difference between cost of wheat purchased at domestic market price and receipts from sales at maximum price prescribed by the International Wheat Agreement	171,740,395	129,553,795	-42,186,600
Total, Treasury Cancellation of Commodity Credit Corporation Notes	275,003,131	681,769,703	+406,766,572

83d Congress, 2d Session | HOUSE OF REPRESENTATIVES | Report No. 1911

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

June 22, 1954.—Ordered to be printed

Mr. H. Carl Andersen, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 8779]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 19, 22, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 12, 13, 15, 17, 23, 25, 27, 28, 32, 33, and 36, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$17,689,579*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,900,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,942,500*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$30,490,200*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$2,570,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$2,367,500*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,967,500*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$4,937,500*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$6,538,500*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$400,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$5,500,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$11,575,500*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$41,250,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$6,000,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$23,550,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$2,030,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$2,080,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

In lieu of the number proposed by said amendment insert *575*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 20.

The House agrees to the amended title of the bill.

H. CARL ANDERSEN,
WALT HORAN,
OAKLEY HUNTER,
MELVIN R. LAIRD,
JOHN TABER,
JAMIE L. WHITTEN,
CLARENCE CANNON,
FRED MARSHALL,
Managers on the Part of the House.

MILTON R. YOUNG,
HOMER FERGUSON,
JOSEPH R. MCCARTHY,
Per Y.
KARL E. MUNDT,
GEORGE D. AIKEN,
RICHARD B. RUSSELL,
CARL HAYDEN,
PAT MCCARRAN,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Agricultural Research Service

Amendment No. 1—*Research:* Reported in disagreement. The conferees are in agreement with the items earmarked in the Senate report, with the understanding that none of the offsetting reductions will be made in the budget increases for (1) research on diseases and pests of fruit, vegetable, and other crops; (2) research on horticultural crops; (3) research on diseases of livestock and poultry; and (4) utilization research to develop new and improved uses for agricultural products in surplus. None of the offsetting reductions should be applied in such manner as to seriously impair the work under any project provided for in this appropriation. It is also the desire of the conferees that insect pollination work be strengthened.

Amendment No. 2—*Plant and animal disease and pest control:* Appropriates $17,689,579 instead of $17,461,380 as proposed by the House and $17,819,600 as proposed by the Senate. The amount agreed to provides the following increases over the House bill: Citrus blackfly and Mexican fruitfly, $29,500; Hall scale eradication, $35,200; plant quarantine, $86,400; eradicating scabies, $18,547; and eradicating cattle ticks, $58,552.

Amendment No. 3—*Meat inspection:* Appropriates $14,325,000 as proposed by the Senate instead of $14,190,000 as proposed by the House. The conferees are in agreement that the increase should be used to meet the need of the smaller meatpackers.

Amendment No. 4—*Foot-and-mouth disease research:* Appropriates $1,900,000 instead of $1,800,000 as proposed by the House and $2,134,000 as proposed by the Senate.

Extension Service

Amendment No. 5—*Penalty mail:* Appropriates $1,942,500 instead of $1,885,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Forest Service

Amendment No. 6—*National forest protection and management:* Appropriates $30,490,200 instead of $30,132,700 as proposed by the House and $30,860,000 as proposed by the Senate. This amount restores $150,000 for maintenance of improvements and $207,500 for land-utilization projects.

Amendments Nos. 7, 8, 9, and 10—*Control of forest pests:* Appropriate $4,937,500 instead of $4,800,000 as proposed by the House and $5,075,000 as proposed by the Senate. The amount approved provides $2,570,000 for White Pine blister rust control, including $590,000 for leadership, coordination, and technical direction; $1,455,000 for control on national forests; $360,000 for control on Interior lands; and

$165,000 for control on State and private lands. The amount agreed to also includes $2,367,500 for forest pest control.

Amendment No. 11—*Forest research:* Appropriates $6,538,500 instead of $6,528,500 as proposed by the House and $6,918,500 as proposed by the Senate. The additional $10,000 is provided to enable the Department to make a special study and report to the appropriations committees of the two Houses on the need for additional funds for the four proposals contained in the Senate amendment and the Northern Lakes Research Center.

Amendment No. 12—*Acquisition of land—Weeks Act:* Appropriates $125,000 as proposed by the Senate instead of $75,000 as proposed by the House.

Amendment No. 13—*State and private forestry cooperation:* Appropriates $10,683,690 as proposed by the Senate instead of $10,608,690 as proposed by the House.

Amendment No. 14—*Cooperative range improvements:* Authorizes $400,000 instead of $281,000 as proposed by the House and $500,000 as proposed by the Senate.

Soil Conservation Service

Amendment No. 15—*Conservation operations:* Appropriates $59,085,671 as proposed by the Senate instead of $58,965,671 as proposed by the House.

Amendment No. 16—*Watershed protection:* Appropriates $5,500,000 instead of $5,000,000 as proposed by the House and $6,000,000 as proposed by the Senate.

Amendment No. 17—*Flood prevention:* Appropriates $7,482,000 as proposed by the Senate instead of $6,982,000 as proposed by the House. The conferees agree that the Department should make distribution of the increase in line with existing distribution among the 11 authorized watersheds.

Funds contained in the "Flood prevention" appropriation for the Los Angeles and Santa Ynez watersheds shall be used for the portions of work covered in the flood-survey reports and defined as "Additional measures to accelerate flood prevention" to the full extent necessary to keep the overall flood-prevention program in balance.

Agricultural Conservation Program Service

Amendment No. 18: Restores language proposed by the House and stricken by the Senate.

Amendment No. 19: Inserts language proposed by the House in lieu of language proposed by the Senate.

Amendment No. 20: Reported in disagreement.

It is the understanding of the conferees that the sum of $195,000,000 will be distributed among the several States on the same basis as the allocation of funds for the 1954 program. It is also understood that any portion of these funds may be used on diverted acres where local needs warrant such use and such practice is approved at the local level.

In view of the action of the conferees with reference to diverted acres the Department need not clear further with either appropriations committee on this matter.

Agricultural Marketing Service

Amendment No. 21—*Marketing services:* Appropriates $11,575,500 instead of $11,463,500 as proposed by the House and $11,675,500 as proposed by the Senate. The additional amount allowed includes $6,000 for the livestock market news service at Houston, Tex., $6,000 for the fruit and vegetable market news service for Arizona, and $100,000 for poultry and egg inspection services. The later amount has been agreed to on the basis that the indirect overhead costs for poultry and egg inspection will be handled on the same basis as is followed for inspection services for fruit and vegetables.

Amendment No. 22—*Marketing services:* Eliminates language inserted by the Senate.

This amendment, which would have established three permanent cotton-classing offices in Mississippi by statute, would give to that State more than twice as many classing offices as any other State in the Cotton Belt and would be contrary to policy of the Congress of having relatively few permanent year-around offices. The conferees do agree, however, that cotton classers should be assigned to the markets provided for in the Senate amendment for the major part of the marketing season, with local aid in providing essential office facilities and physical equipment.

Such expansion of classing activities geographically during the marketing season is in line with the policy established by Congress several years ago, which directed that funds for cotton classing under the Smith-Doxey Act should be borrowed from the Commodity Credit Corporation and restored to such Corporation by subsequent appropriation. The purpose of such change in policy was to prevent the expense of a great number of permanent year-around cotton-classing offices. It was intended that the classing service expand its activities during the busy season and contract them during other periods. The expansion expected and desired was not merely the expansion of the work force at existing offices but was the extension of classing service to other cotton markets and regions during the major marketing season. To restrict such cotton classing during the marketing season to the few places now having permanent offices is to give a distinct marketing advantage to such locations.

While the conferees are directing expansion only in the three locations named in the Senate amendment, it is believed that the Department should establish similar suboffices in the Cotton Belt where, in the opinion of the Secretary, cotton marketed or handled justifies such suboffices and local people are willing to provide the cost of necessary office space and physical equipment.

Amendment No. 23—*School-lunch program:* Appropriates $83,236,197 as proposed by the Senate instead of $83,464,000 as proposed by the House.

Commodity Stabilization Service

Amendment No. 24—*Agricultural adjustment programs:* Appropriates $41,250,000 instead of $40,000,000 as proposed by the House and $41,750,000 as proposed by the Senate.

Amendment No. 25—*Sugar Act program:* Increases administrative expense limitation from $1,392,000 as proposed by the House to $1,440,000 as proposed by the Senate.

Federal Crop Insurance Corporation

Amendment No. 26—Appropriates $6,000,000 instead of $5,700,000 as proposed by the House and $6,200,000 as proposed by the Senate.

Rural Electrification Administration

Amendment No. 27—*Loan authorizations:* Authorizes $135,000,000 for electrification loans as proposed by the Senate instead of $100,000,000 as proposed by the House.

Farmers Home Administration

Amendment No. 28—*Loan authorizations:* Authorizes $122,500,000 for production and subsistence loans as proposed by the Senate instead of $120,000,000 as proposed by the House.

Amendment No. 29—*Salaries and expenses:* Appropriates $23,550,000 instead of $23,750,000 as proposed by the House and $22,550,000 as proposed by the Senate.

Office of Solicitor

Amendment No. 30—Appropriates $2,030,000 instead of $2,000,000 as proposed by the House and $2,060,000 as proposed by the Senate.

Office of the Secretary

Amendment No. 31—Appropriates $2,080,000 instead of $2,050,000 as proposed by the House and $2,110,000 as proposed by the Senate.

Office of Information

Amendment No. 32—Appropriates $1,196,000 as proposed by the Senate instead of $1,180,400 as proposed by the House.

Amendment No. 33—Increases limitation on printing from $324,000 as proposed by the House to $537,000 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 34—Authorizes the replacement of 575 passenger motor vehicles instead of 500 as proposed by the House and 621 as proposed by the Senate.

Amendment No. 35—Eliminates language inserted by the Senate.

Amendment No. 36—Changes title and citation of bill as proposed by the Senate.

H. Carl Andersen,
Walt Horan,
Oakley Hunter,
Melvin R. Laird,
John Taber,
Jamie L. Whitten,
Clarence Cannon,
Fred Marshall,
Managers on the Part of the House.

O

House of Representatives

TUESDAY, JUNE 22, 1954

The House met at 12 o'clock noon.

Rev. John Crocker, headmaster, Groton School, Groton, Mass., offered the following prayer:

Almighty God, our Heavenly Father, who art the only source of light and life, send down upon this House of Representatives the rich gifts of Thy good spirit, that Thy truth may be sincerely sought, faithfuly received, and obediently followed.

Endue its leaders with wisdom, zeal, and patience. Inspire its Members with the spirit of truth, honor, and humility. May they day by day grow in grace and in the knowledge of our Lord and Saviour Jesus Christ.

Grant to all in the Congress of the United States such a cheerful and forbearing spirit, such strength of body, clearness of mind, and purity of heart, that Thy work may be heartily done and Thy name glorified.

Let Thy blessing rest upon us now and Thy spirit dwell in this place from generation to generation. Through Thy Son, our Lord and Saviour, Jesus Christ. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

SENATE REPORT ON INTERNAL REVENUE CODE OF 1954

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 89 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 7,200 additional copies of Senate Report No. 1622, current Congress, entitled "Internal Revenue Code of 1954," of which 2,000 copies shall be for the Senate document room; 1,500 copies for the use of the Committee on Finance; 2,000 copies for the House document room; 1,500 copies for the Committee on Ways and Means; and 200 copies for the Joint Committee on Internal Revenue Taxation.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

CHARTERS OF VESSELS TO CITIZENS OF THE PHILIPPINES

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (S. J. Res. 72) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Washington? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ALLEN of California, SEELY-BROWN, SHEEHAN, BONNER, and GARMATZ.

NICHOLAS KATEM, THEODOSIA KATEM, BASIL KATEM, AND JOSEPHINE KATEM

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 848) for the relief of Nicholas Katem, Theodosia Katem, Basil Katem, and Josephine Katem, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 11, strike out "four" and insert "the required."

Line 12, after "quota", insert "or quotas."

Line 12, strike out "is" and insert "or quotas are."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Appropriations for the Department of Agriculture may have until midnight tonight to file a conference report and statement.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1911)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 19, 22, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 12, 13, 15, 17, 23, 25, 27, 28, 32, 33, and 36, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,689,579"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,900,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,942,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$30,490,200"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,570,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,367,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,967,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,937,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,538,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,500,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$11,575,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$41,250,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$23,550,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,030,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,080,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert "575"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 20.

The House agrees to the amended title of the bill.

H. CARL ANDERSEN,
WALT HORAN,
OAKLEY HUNTER,
MELVIN R. LAIRD,
JOHN TABER,
JAMIE L. WHITTEN,
CLARENCE CANNON,
FRED MARSHALL,
Managers on the Part of the House.

MILTON R. YOUNG,
HOMER FERGUSON,
JOSEPH R. MCCARTHY,
KARL E. MUNDT,
GEORGE D. AIKEN,
RICHARD B. RUSSELL,
CARL HAYDEN,
PAT MCCARRAN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1—Research: Reported in disagreement. The conferees are in agreement with the items earmarked in the Senate report, with the understanding that none of the offsetting reductions will be made in the Budget increases for (1) research on diseases and pests of fruit, vegetable, and other crops; (2) research on horticultural crops; (3) research on diseases of livestock and poultry; and (4) utilization research to develop new and improved uses for agricultural products in surplus. None of the offsetting reductions should be applied in such manner as to seriously impair the work under any project provided for in this appropriation. It is also the desire of the conferees that insect pollination work be strengthened.

Amendment No. 2—Plant and animal disease and pest control: Appropriates $17,689,579 instead of $17,461,380 as proposed by the House and $17,819,600 as proposed by the Senate. The amount agreed to provides the following increases over the House bill: Citrus blackfly and Mexican fruitfly, $29,500; Hall scale eradication, $35,200; plant quarantine, $86,400; eradicating scabies, $18,547; and cradicating cattle ticks, $58,552.

Amendment No. 3—Meat inspection: Appropriates $14,325,000 as proposed by the Senate instead of $14,190,000 as proposed by the House. The conferees are in agreement that the increase should be used to meet the need of the smaller meatpackers.

Amendment No. 4—Foot-and-mouth disease research: Appropriates $1,900,000, instead of $1,800,000 as proposed by the House and $2,134,000 as proposed by the Senate.

EXTENSION SERVICE

Amendment No. 5—Penalty mail: Appropriates $1,942,500 instead of $1,885,000 as proposed by the House and $2,000,000 as proposed by the Senate.

FOREST SERVICE

Amendment No. 6—National forest protection and management: Appropriates $30,490,200 instead of $30,132,700 as proposed by the House and $30,860,000 as proposed by the Senate. This amount restores $150,000 for maintenance of improvements and $207,500 for land-utilization projects.

Amendments Nos. 7, 8, 9, and 10—Control of forest pests: Appropriates $4,937,500 instead of $4,800,000 as proposed by the House and $5,075,000 as proposed by the Senate. The amount approved provides $2,570,000 for white pine blister rust control, including $590,000 for leadership, coordination, and technical direction; $1,455,000 for control on national forests; $360,000 for control on Interior lands; and $165,000 for control on State and private lands. The amount agreed to also includes $2,367,500 for forest pest control.

Amendment No. 11—Forest research: Appropriates $6,538,500 instead of $6,528,500 as proposed by the House and $6,918,500 as proposed by the Senate. The additional $10,000 is provided to enable the Department to make a special study and report to the appropriations committees of the two Houses on the need for additional funds for the four proposals contained in the Senate amendment and the Northern Lakes Research Center.

Amendment No. 12—Acquisition of land—Weeks Act: Appropriates $125,000 as proposed by the Senate instead of $75,000 as proposed by the House.

Amendment No. 13—State and private forestry cooperation: Appropriates $10,683,690 as proposed by the Senate instead of $10,608,690 as proposed by the House.

Amendment No. 14—Cooperative range improvements: Authorizes $400,000 instead of $281,000 as proposed by the House and $500,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 15—Conservation operations: Appropriates $59,085,671 as proposed by the Senate instead of $58,965,671 as proposed by the House.

Amendment No. 16—Watershed protection: Appropriates $5,500,000 instead of $5,000,000 as proposed by the House and $6,000,000 as proposed by the Senate.

Amendment No. 17—Flood prevention: Appropriates $7,482,000 as proposed by the Senate instead of $6,982,000 as proposed by the House. The conferees agree that the Department should make distribution of the increase in line with existing distribution among the 11 authorized watersheds.

Funds contained in the flood prevention appropriation for the Los Angeles and Santa Ynez watersheds shall be used for the portions of work covered in the flood survey reports and defined as "Additional Measures to Accelerate Flood Prevention" to the full extent necessary to keep the overall flood prevention program in balance.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Amendment No. 18: Restores language proposed by the House and stricken by the Senate.

Amendment No. 19: Inserts language proposed by the House in lieu of language proposed by the Senate.

Amendment No. 20: Reported in disagreement.

It is the understanding of the conferees that the sum of $195 million will be distributed among the several States on the same basis as the allocation of funds for the 1954 program. It is also understood that any portion of these funds may be used on diverted acres where local needs warrant such use and such practice is approved at the local level.

In view of the action of the conferees with reference to diverted acres the Department need not clear further with either appropriations committee on this matter.

AGRICULTURAL MARKETING SERVICE

Amendment No. 21—Marketing services: Appropriates $11,575,500 instead of $11,463,500 as proposed by the House and $11,675,500 as proposed by the Senate. The additional amount allowed includes $6,000 for the livestock market news service at Houston, Tex.; $6,000 for the fruit and vegetable market news service for Arizona; and $100,000 for poultry and egg inspection services. The later amount has been agreed to on the basis that the indirect overhead costs for poultry and egg inspection will be handled on the same basis as is followed for inspection services for fruit and vegetables.

Amendment No. 22—Marketing services: Eliminates language inserted by the Senate.

This amendment, which would have established three permanent cotton classing offices in Mississippi by statute, would give to that State more than twice as many classing offices as any other State in the Cotton Belt and would be contrary to policy of the Congress of having relatively few permanent year-around offices. The conferees do agree, however, that cotton classers should be assigned to the markets provided for in the Senate amendment for the major part of the marketing season, with local aid in providing essential office facilities and physical equipment.

Such expansion of classing activities geographically during the marketing season is in line with the policy established by Congress several years ago, which directed that funds for cotton classing under the Smith-Doxey Act should be borrowed from the Commodity Credit Corporation and restored to such corporation by subsequent appropriation. The purpose of such change in policy was to prevent the expense of a great number of permanent year-around cotton classing offices. It was intended that the classing service expand its activities during the busy season and contract them during other periods. The expansion expected and desired was not merely the expansion of the work force at existing offices but was the extension of classing service to other cotton mar-

kets and regions during the major marketing season. To restrict such cotton classing during the marketing season to the few places now having permanent offices is to give a distinct marketing advantage to such locations.

While the conferees are directing expansion only in the three locations named in the Senate amendment, it is believed that the Department should establish similar suboffices in the Cotton Belt where, in the opinion of the Secretary, cotton marketed or handled justifies such suboffices and local people are willing to provide the cost of necessary office space and physical equipment.

Amendment No. 23—School lunch program: Appropriates $83,236,197 as proposed by the Senate instead of $83,464,000 as proposed by the House.

COMMODITY STABILIZATION SERVICE

Amendment No. 24—Agricultural Adjustment Programs: Appropriates $41,250,000 instead of $40,000,000 as proposed by the House and $41,750,000 as proposed by the Senate.

Amendment No. 25—Sugar Act Program: Increases administrative expense limitation from $1,392,000 as proposed by the House to $1,440,000 as proposed by the Senate.

FEDERAL CROP INSURANCE CORPORATION

Amendment No. 26: Appropriates $6,000,000 instead of $5,700,000 as proposed by the House and $6,200,000 as proposed by the Senate.

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 27—Loan Authorizations: Authorizes $135,000,000 for electrification loans as proposed by the Senate instead of $100,000,000 as proposed by the House.

FARMERS HOME ADMINISTRATION

Amendment No. 28—Loan Authorizations: Authorizes $122,500,000 for production and subsistence loans as proposed by the Senate instead of $120,000,000 as proposed by the House.

Amendment No. 29—Salaries and expenses: Appropriates $23,550,000 instead of $23,750,000 as proposed by the House and $22,550,000 as proposed by the Senate.

OFFICE OF SOLICITOR

Amendment No. 30: Appropriates $2,030,000 instead of $2,000,000 as proposed by the House and $2,060,000 as proposed by the Senate.

OFFICE OF THE SECRETARY

Amendment No. 31: Appropriates $2,080,000 instead of $2,050,000 as proposed by the House and $2,110,000 as proposed by the Senate.

OFFICE OF INFORMATION

Amendment No. 32: Appropriates $1,196,000 as proposed by the Senate instead of $1,180,400 as proposed by the House.

Amendment No. 33: Increases limitation on printing from $324,000 as proposed by the House to $537,000 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 34: Authorizes the replacement of 575 passenger motor vehicles instead of 500 as proposed by the House and 621 as proposed by the Senate.

Amendment No. 35: Eliminates language inserted by the Senate.

Amendment No. 36: Changes title and citation of bill as proposed by the Senate.

H. CARL ANDERSEN,
WALT HORAN,
OAKLEY HUNTER,
MELVIN R. LAIRD,
JOHN TABER,
JAMIE L. WHITTEN,
CLARENCE CANNON,
FRED MARSHALL,
Managers on the Part of the House.

PUERTO RICO MODEL HOUSING

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4030) to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 5, insert a new section as follows:

"SEC. 2. Any moneys remaining in the revolving fund established by subsection (d) of section 4 of said act of March 2, 1934, shall be covered into the treasury of the Commonwealth of Puerto Rico."

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following the legislative program and the conclusion of any special orders heretofore granted.

Mr. STAGGERS asked and was given permission to address the House for 5 minutes today, following the legislative program and the conclusion of any special orders heretofore granted.

AUTHORIZING SECRETARY OF AGRICULTURE TO QUITCLAIM RETAINED RIGHTS IN CERTAIN LAND TO BOARD OF EDUCATION OF IRWIN COUNTY, GA.

Mr. WHEELER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk, the joint resolution (H. J. Res. 458) to authorize and direct the Secretary of Agriculture to quitclaim retained rights in a certain tract of land to the Board of Education of Irwin County, Ga., and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "into" and insert "unto."

Page 2, line 6, strike out "clerk" and insert "Clerk."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. JAVITS asked and was given permission to address the House for 5 minutes tomorrow, following the legislative business of the day and any special orders heretofore entered.

Mr. McCORMACK asked and was given permission to address the House for 5 minutes today, following the legislative business of the day and any special orders heretofore entered.

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 5 minutes today, following the legislative business of the day and any special orders heretofore entered.

TWO HUNDREDTH ANNIVERSARY OF THE CONGRESS OF 1754

The SPEAKER. Pursuant to the provisions of Public Law 198, 83d Congress, the Chair appoints as a member of the joint committee to participate in the celebration of the 200th anniversary of the Congress of 1754, held at Albany, N. Y., the gentleman from New Hampshire, Mr. MERROW, to fill the existing vacancy thereon.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

TAX REFUNDS ON CIGARETTES

The Clerk called the bill (H. R. 4319) to authorize tax refunds on cigarettes lost in the floods of 1951.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

EXTENDING EMERGENCY FOREIGN MERCHANT VESSEL ACQUISITION AND OPERATING AUTHORITY OF PUBLIC LAW 101

The Clerk called the bill (H. R. 6318) to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, has the gentleman from Washington worked out a compromise with the gentleman from Massachusetts?

Mr. TOLLEFSON. Mr. Speaker, I have checked this matter with the Maritime Administration, and they see no objection to the amendment which the gentleman from Massachusetts wanted to offer.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That during any period in which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936, as amended, the President is author-

ized and empowered through the Secretary of Commerce to purchase, or to requisition, or for any part of such period to charter or requisition the use of, or to take over the title to or possession of, for such use or disposition as he shall direct, any merchant vessel not owned by citizens of the United States which is lying idle in waters within the jurisdiction of the United States, including the Canal Zone, and which the Secretary finds to be necessary to the national defense. Just compensation shall be determined and made to the owner or owners of any such vessel in accordance with the applicable provisions of section 902 of the Merchant Marine Act, 1936, as amended. Such compensation hereunder, or advances on account thereof, shall be deposited with the Treasurer of the United States in a separate deposit fund. Payments for such compensation and also for payment of any valid claim upon such vessel in accord with the provisions of the second paragraph of subsection (d) of such section 902, as amended, shall be made from such fund upon the certificate of the Secretary of Commerce.

SEC. 2. During any period in which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936, as amended, the President is authorized through the Secretary of Commerce to acquire by voluntary agreement of purchase or charter the ownership or use of any merchant vessel not owned by citizens of the United States.

SEC. 3. (a) Any vessel not documented under the laws of the United States, acquired by or made available to the Secretary of Commerce under this act, or otherwise, may, notwithstanding any other provision of law, in the discretion of the Secretary of the Treasury be documented as a vessel of the United States under such rules and regulations or orders, and with such limitations, as the Secretary of the Treasury may prescribe or issue as necessary or appropriate to carry out the purposes and provisions of this act, and in accordance with the provisions of subsection (c) hereof, engage in the coastwise trade when so documented. Any document issued to a vessel under the provisions of this subsection shall be surrendered at any time that such surrender may be ordered by the Secretary of the Treasury. No vessel, the surrender of the documents of which has been so ordered, shall, after the effective date of such order, have the status of a vessel of the United States unless documented anew.

(b) The President may, notwithstanding any other provisions of law, by rules and regulations or orders, waive compliance with any provision of law relating to masters, officers, members of the crew, or crew accommodations on any vessel documented under authority of this section to such extent and upon such terms as he finds necessary because of the lack of physical facilities on such vessels, and because of the need to employ aliens for their operation. No vessel shall cease to enjoy the benefits and privileges of a vessel of the United States by reason of the employment of any person in accordance with the provisions of this subsection.

(c) Any vessel while documented under the provisions of this section, when chartered under this act by the Secretary of Commerce to Government agencies or departments or to private operators, may engage in the coastwise trade under permits issued by the Secretary of Commerce, who is hereby authorized to issue permits for such purpose pursuant to such rules and regulations as he may prescribe. The Secretary of Commerce is hereby authorized to prescribe such rules and regulations as he may deem necessary or appropriate to carry out the purposes and provisions of this section. The second paragraph of section 9 of the Shipping Act, 1916, as amended, shall not apply with respect to vessels chartered to Government agencies or departments or to private operators or otherwise used or disposed of under this act. Existing laws covering the inspection of steam vessels are hereby made applicable to vessels documented under this section only to such extent and upon such conditions as may be required by regulations of the Secretary of the department in which the Coast Guard is operating: *Provided*, That in determining to what extent those laws should be made applicable, due consideration shall be given to the primary purpose of transporting commodities essential to the national defense.

(d) The Secretary of Commerce without regard to the provisions of section 3709 of the Revised Statutes may repair, reconstruct, or recondition any vessels to be utilized under this act. The Secretary of Commerce and any other Government department or agency by which any vessel is acquired or chartered, or to which any vessel is transferred or made available under this act may, with the aid of any funds available and without regard to the provisions of said section 3709, repair, reconstruct, or recondition any such vessels to meet the needs of the services intended, or provide facilities for such repair, reconstruction, or reconditioning. The Secretary of Commerce may operate or charter for operation any vessel to be utilized under this act to private operators, citizens of the United States, or to any department or agency of the United States Government, without regard to the provisions of title VII of the Merchant Marine Act, 1936, and any department or agency of the United States Government is authorized to enter into such charters.

(e) In case of any voyage of a vessel documented under the provisions of this section begun before the date of termination of an effective period of section 1 hereof, but is completed after such date, the provisions of this section shall continue in effect with respect to such vessel until such voyage is completed.

(f) When used in this act, the term "documented" means "registered," "enrolled and licensed," or "licensed."

Mr. McCORMACK. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: In line 3, page 2, strike out the word "Secretary" and insert the word "President."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICE OF COMMISSIONER OF REFUGEES

The Clerk called the bill (S. 1766) to establish the Office of Commissioner of Refugees.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby established, with its principal office at the seat of the Government, the Office of Commissioner of Refugees, hereinafter referred to as the Office, which shall be headed by the Commissioner of Refugees, herinafter referred to as the Commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall serve at the pleasure of the President.

SEC. 2. Effective 30 days after his appointment the Commissioner on behalf of the President and subject to his direction, shall in consultation with the Secretaries of State and Defense and with other appropriate agencies of the Government, within the limits of appropriations which shall have previously been made therefor, have primary responsibility for—

(a) the development and administration of programs of assistance to refugees;

(b) liaison between the Government of the United States and foreign governmental and intergovernmental agencies and organizations concerned with refugees or with migration and resettlement of people; and

(c) accumulation and collation of information concerning migration possibilities of people from areas in which refugees are temporarily located to areas of potential reception.

SEC. 3. When used in this act the term "refugee" means a person (a) who is out of his usual place of abode because of persecution, fear of persecution, natural calamity or military operations, and (b) who is in urgent need of assistance for the essentials of life or for transportation: *Provided, however*, That no person shall be considered to be a refugee who is or has been a member of any Communist, Nazi, or Fascist organization or movement unless he shall establish by clear and convincing evidence that this membership was involuntary or while under the age of 16 years.

SEC. 4. In order to avoid duplication of personnel and of functions the President is authorized (a) to detail or assign to the Office any officer or employee of any agency of the Government who is engaged in activities relating to refugees or to migration and resettlement of people and (b) to transfer for expenditure by the Office sums available by any agency of the Government for expenditure relating to refugees or to migration and resettlement of people.

SEC. 5. The Commissioner shall receive compensation at the rate of $17,500 per annum. The Commissioner is authorized to appoint and fix the compensation of such personnel as may be necessary to enable him to carry out his functions under this act without regard to the civil-service rules and regulations and the Classification Act of 1949.

SEC. 6. The act entitled "An act to protect the national security of the United States by permitting the summary suspension of employment of civilian officers and employees of various departments and agencies of the Government, and for other purposes," approved August 26, 1950 (Public Law 733, 81st Cong.), is amended by inserting after the words "the Chairman, National Security Resources Board;" the words "the Commissioner of Refugees," and by inserting after the words "National Security Resources Board," the words "Office of Commissioner of Refugees."

SEC. 7. The Commissioner shall prepare and transmit to the President and to the Congress on or about January 15 of each year a report of his activities under this act and shall from time to time prepare and publish factual reports on refugees and on migration and resettlement of people.

SEC. 8. Nothing contained in this act shall be construed to supersede or modify any provision of the Immigration and Nationality Act, or to authorize the negotiation or entering into of any treaties or executive agreements not otherwise authorized.

SEC. 9. There are hereby authorized to be appropriated such sums of money as may be necessary to carry out the purposes of this act.

SEC. 10. This act shall expire 3 years after the date of enactment.

Amend the title so as to read: "An act to establish the Office of Refugees and International Migration, and for other purposes."

Mr. REED of Illinois. Mr. Speaker, I offer an amendment, which I send to the desk.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 24, 1954
For actions of June 23, 1954
83rd-2nd, No. 116

CONTENTS

HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill, and House concurred in amendments in disagreement. House and Senate committees made decisions on farm program bill. Both Houses received President's message favoring foreign aid program. Senate passed measure continuing farm housing program 1 month. Senate rejected motion to reconsider Army flood-control appropriations. Senate debated trade agreements bill. Senate passed bill to permit immigration of additional sheepherders. Senate passed bill to continue duty-free copper imports. Rep. Patman spoke favoring family-size farm limit on price supports. House committee decided amounts in foreign aid bill. Rep. Sullivan urged distribution of surplus commodities to needy Americans.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. Both Houses agreed to the conference report on this bill, H. R. 8779, and the House concurred in the two Senate amendments which had been reported in disagreement (pp. 8253, 8305-7). This bill will now be sent to the President.

2. FOREIGN AID. Both Houses received the President's message recommending amendment and continuation of the mutual security program; to Senate Foreign Relations Committee and House Foreign Affairs Committee (H. Doc. 449)(pp. 8244, 8299-300). The President requested authorization of approximately $3,500,000,000, of which $2,748.4 million would be for military aid, $241.3 million for Korea, $256.4 million for development assistance, and $131.6 million for technical cooperation.

The Rules and Administration Committee reported with amendments S. Res. 214, providing for a study of technical-assistance programs by the Foreign Relations Committee (S. Rept. 1628)(p. 8245).

3. HOUSING LOANS. Passed without amendment S. J. Res. 167, to continue various housing laws for July 1954 pending enactment of the regular housing bill (pp. 8250-1). This measure authorizes $8,500,000 additional for loans under the farm housing program administered by this Department, plus additional amounts for contributions under the program.

4. FARM PROGRAM. The "Daily Digest" states that the Agriculture and Forestry Committee, during consideration of S. 3052, the farm program bill, "announced further tentative agreements which would-- (1) Authorize Secretary of Agriculture to limit use on acreage diverted from price-supported crops as a condition of eligibility for price support on any commodity; (2) repeal marketing quota authority for corn; (3) clarify the Secretary's authority to increase acreage allotments under certain conditions; and (4) make permanent a provision carried in recent appropriation acts for allocation of conservation payment funds on a basis of need, and direct the Secretary to give special consideration to diverted acreage problems" (p. D724).

5. TRADE AGREEMENTS. Continued debate on H. R. 9474, to continue the reciprocal trade agreements program for 1 additional year (pp. 8254-75, 8285, 8291, 8297).

6. FLOOD-CONTROL APPROPRIATIONS. Rejected a motion by Sen. Morse to reconsider the vote on the conference report regarding H. R. 8367, the Army civil functions appropriation bill for 1955 (pp. 8279-84). This bill will now be sent to the President.

7. FARM LABOR. Passed as reported S. 2862, to make special non-quota immigrant visas available to certain skilled alien sheepherders (pp. 8288, 8291-7).

8. COPPER IMPORTS. Passed as reported H. R. 7709, to continue duty-free imports of copper for 1 more year (pp. 8285-8). As passed by the House, the provision would be extended for 2 more years.

9. EDUCATION. Senate conferees were appointed on H. R. 7434, to establish a National Advisory Committee on Education, and H. R. 9040, to authorize cooperative research in education (pp. 8253-4). House conferees have been appointed.

10. DISBURSING. Agreed to the conference report on S. 2844, to make permanent the authority of U. S. disbursing officers to perform certain banking services for employees stationed abroad, etc. (p. 8275). This bill will now be sent to the President.

11. DAIRY INDUSTRY. Sen. Wiley inserted his statement favoring more consumption of dairy products and a Wisconsin Dairying article giving data on this matter (p. 8249).

HOUSE

12. FARM PROGRAM. The "Daily Digest" states: "Committee on Agriculture: Continued executive consideration of the general farm program, and adopted an amendment proposed by Representative Abernethy (Mississippi) which would make the 'normal supply' of cotton for any marketing year the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 20 percent of the sum of such consumption and exports as an allowance for carryover. Also adopted an amendment by Representative Lovre (South Dakota) which would place feed grains under the same support price established for corn. In the afternoon meeting the committee approved miscellaneous provisions relating to peanuts which will be incorporated in the general farm bill." (p. D726.)

13. FAMILY-SIZE FARMS; PRICE SUPPORTS. Rep. Patman spoke favoring family-size farms, inserted CCC tables showing comparison of figures on farm price-support loans, and stated that the present price supports encourage a movement toward big farms (pp. 8318-27).

made today will serve notice to all the nations and peoples of the Western Hemisphere of the dangers which confront us, and will serve to awaken free people everywhere.

Mr. SMATHERS. I thank the distinguished minority leader for his generous words. Coming from one of his stature and position, they gratify me very much.

The sentiments he has expressed will, I am certain, give notice to the nations of the Western Hemisphere of what we propose to do.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the editorial to which I referred a moment ago, which was published in Diario Las Americas, the Americas Daily, of Miami, Fla.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UNITED STATES AND THE OTHER GOVERNMENTS OF THE AMERICAS SHOULD HELP ANTI-COMMUNIST GUATEMALAN PATRIOTS

The moment has now arrived for the Guatemalan people to rise up in arms against a dictatorial Communist regime which has allied itself in treasonable fashion with the Soviet Union to the detriment of both national and hemispheric interests, causing the outbreak of a conflict featured by Guatemalan fighting against Guatemalan and provoking the greatest rift in hemispheric security that has occurred in the history of pan-Americanism.

Inasmuch as native Guatemalan Communists have an even greater responsibility toward their own country than do their confreres abroad, their action which has resulted in the shedding of Guatemalan blood will hang heavy in the balance of history. The foreign agents of international communism have been busy negotiating the fate of the Guatemalan people and their dignity as a nation, but the greatest share of the blame must be shouldered by the homegrown traitors to the Guatemalan nation who have compromised the peace and security of their fellow citizens.

Now that the battle cry of freedom has sounded in the midst of flying bullets—a situation that has arisen despite the fact that peaceful means would have been preferable for overthrowing the Communist dictatorship—the titanic struggle facing the anti-Communist people of Guatemala in their fight against the forces mustered by Russia's totalitarian ally has placed the governments of the Americas on a delicate spot. The dilemma confronting them will not admit of half-way measures. Either those governments must be definitely on the side of the freedom-loving people of Guatemala or they must be on the side of a government that is bound to follow the directions which the Kremlin dictates to it.

Because of the extreme gravity of the current situation, because of the fact that a handful of brave men have launched themselves on a war to liberate their people and preserve American solidarity, and because of the fact that a force of Guatemalans are laying down their lives to fight a Soviet spearhead aimed at the heart of the Americas, the governments of this hemisphere should hasten to lend their moral and their material support to those in the land of the Quetzal who are confronting an ally of Soviet imperialism. The patriots fighting today in Guatemala find themselves face to face with a government that recently received a $10 million shipment of arms from behind the Iron Curtain.

To abandon the Guatemalans at this time during a battle with historic significance for them and for the entire Western Hemisphere would be an act of injustice toward any people and it would be a gratuitous slap in the face to the fate of all the nations of the Americas. Just as happened in the case of Korea, when the immediate fate of the Americas was not directly involved, the Government of the United States should back up the anti-Communist forces of Guatemala, and it should be joined in this by its fellow American nations. Washington officials should not be alarmed that such action might be misinterpreted as an act of aggression against Guatemala; on the contrary, it could only be construed as intervention on the behalf of that nation. The current battle isn't directed against the Guatemalan people, but rather against a government that is being supported by the Kremlin. The nations of the Americas must not fail Guatemala in this historic moment.

The Communist-backed military might of the present Guatemalan Government must not be allowed to overwhelm the movement of liberation that has been initiated amidst bullets and sacrifices by a group of patriots inasmuch as hemispheric security would thereby be placed in jeopardy and the national dignity of Guatemala would be trampled underfoot.

Mr. SMATHERS. I thank the able Senator from Tennessee [Mr. GORE] for having yielded to me.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, and that the House receded from its disagreement to the amendments of the Senate numbered 1 and 20 to the bill, and concurred therein.

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 129. An act to amend the act of August 30, 1935 (49 Stat. 1049), authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims;

S. 932. An act to equalize the treatment accorded to commissioned officers of the Veterinary Corps with that accorded to commissioned officers of other corps of the Army Medical Service, and for other purposes;

S. 1665. An act to amend the Federal Credit Union Act;

S. 2212. An act for the relief of Alma S. Wittlin-Frischauer;

S. 2742. An act to amend the act of August 21, 1951, relating to certain payments out of Ute Indian tribal funds;

S. 2777. An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

S. 2845. An act to amend section 3528 of the Revised Statutes, as amended, relating to the purchase of metal for minor coins of the United States;

S. 3103. An act to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941;

S. 3364. An act to amend the act of October 31, 1949 (63 Stat. 1049); and

S. 3481. An act to amend sections 23A and 24A of the Federal Reserve Act, as amended.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1954, he presented to the President of the United States the following enrolled bills:

S. 129. An act to amend the act of August 30, 1935 (49 Stat. 1049), authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims;

S. 932. An act to equalize the treatment accorded to commissioned officers of the Veterinary Corps with that accorded to commissioned officers of other corps of the Army Medical Service, and for other purposes;

S. 1665. An act to amend the Federal Credit Union Act;

S. 2212. An act for the relief of Alma S. Wittlin-Frischauer;

S. 2742. An act to amend the act of August 21, 1951, relating to certain payments out of Ute Indian tribal funds;

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S. 3364. An act to amend the act of October 31, 1949 (63 Stat. 1049); and

S. 3481. An act to amend sections 23A and 24A of the Federal Reserve Act, as amended.

AGRICULTURE DEPARTMENT APPROPRIATION BILL, 1955—CONFERENCE REPORT

Mr. YOUNG. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, and I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Tuesday, June 22, 1954, p. 8187, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. GORE. Mr. President, reserving the right to object, I understand that the conference report was unanimously approved by the conferees.

Mr. YOUNG. Yes. The report was unanimously approved by the conferees.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

NATIONAL ADVISORY COMMITTEE ON EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the

Senate to the bill (H. R. 7434) to establish a National Advisory Committee on Education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

WHITE HOUSE CONFERENCE ON EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 7601) to provide for a White House Conference on Education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendments, agree to the request of the House for a conference; and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

COOPERATIVE RESEARCH IN EDUCATION

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9040) to authorize cooperative research in education, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMITH of New Jersey. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of New Jersey, Mr. COOPER, Mr. UPTON, Mr. MURRAY, and Mr. HILL conferees on the part of the Senate.

TRADE AGREEMENTS

The Senate resumed the consideration of the bill (H. R. 9474) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended.

Mr. SMATHERS. Mr. President, will the Senator from Tennessee yield to me, for the purpose of suggesting the absence of a quorum?

Mr. GORE. I yield.

Mr. SMATHERS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WATKINS in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, the United States foreign-trade policy is one of the most important questions the Congress will consider this year. It is the cornerstone of our foreign policy. It is the weathervane that points to fair or foul weather in our domestic economy. The foreign-trade policy we adopt can mean the difference between prosperous export trade and falling prices and unmanageable surpluses. It can mean the difference between a high level of employment and unemployment for American workers. It can mean the difference between prosperity and depression for American business. It can mean the difference between allied economic solidarity and stagnation of trade and economic division in the free world.

The President of the United States, in his foreign economic policy statement of March 30, gave eloquent testimony to the need for adoption by the Congress of the amendment which I have offered. He said:

> The United States stands ready and able to produce and sell more than the rest of the world can buy from us. The inability of many foreign countries to buy our goods in the volume we would like to sell does not arise from any lack of desire for these goods. Such is far from the case. Instead it arises out of the inability of these nations to pay—in dollars—for the volume we have to sell.
>
> Dollar grants are no lasting solution to this impasse. * * * The solution is a higher level of two-way trade. Thus we can sell and receive payment for our exports and have an increasing volume of investment abroad to assist economic development overseas and yield return to us. Greater freedom from restrictions and controls and the increased efficiencies which arise from expanding markets and the freer play of economic forces are essential to the attainment of this higher trade level.

Mr. President, the amendment which I have offered on my own behalf, and on behalf of 24 other Senators, is designed to accomplish those objectives which President Eisenhower so forthrightly outlined.

As the President submitted his program on March 30, he called it the minimum which he considered essential. And with that characterization I thoroughly agree. I was sorely disappointed that the President did not go further in his recommendations for trade liberalization, but I think he was taking a step in the right direction, and I rise now to support that step in the right direction.

I think the program he outlined is the absolute minimum which must be enacted. I agree implicitly with his warning that "Failure to so move will directly threaten our domestic economy, for it will doom our efforts to find ways by which others, through their own efforts, can buy our goods."

Mr. President, to enact only a 1-year extension of the reciprocal trade agreements law means that once again we will do nothing to bolster our sagging world trade. It means that for another year the President will not have the minimum weapons he needs to meet and counter the growing threat of the Communist trade offensive. It means that our markets abroad will continue to contract and ultimately vanish. It means that for another year our customers abroad will wonder what our long-range trade policy will be, when finally we make up our minds. It means that the Soviet and Red Chinese trade bait will look more and more tempting to our allies as they grow more and more restive and uneasy, waiting for the United States to study the question further, and perhaps eventually make up its mind.

Mr. President, the amendment I have offered upon behalf of myself and other Senators is in the nature of a substitute for the bill passed by the House of Representatives and reported to the Senate by the Finance Committee which provides merely for a 1-year extension of the existing law. The provisions of my amendment are substantially a verbatim version of H. R. 8860, introduced in the House of Representatives by Representative KEAN, of New Jersey. I am informed that members of the staff of the Randall Commission and officials of the executive department of the Government participated in the drafting of the bill. The amendment embodies the original recommendations of the administration.

In order that the Senate may be fully informed as to the scope of the amendment, I propose to take a few minutes of the Senate's time to explain its provisions.

Section 2 of the amendment provides for a 3-year extension of the basic authority of the President to negotiate reciprocal trade agreements. This 3-year extension will provide some assurance to our friends abroad with respect to the continuity of United States trade policy.

The basic authority for negotiation of trade agreements is contained in section 350 of the Tariff Act of 1930, as amended. Section 3 of my amendment makes certain modifications of existing law as recommended by the President.

Mr. President, I shall not repeat the detailed explanation of the bill, since it can be found in the CONGRESSIONAL RECORD.

At this time I wish to analyze the conditions of world trade, and indicate the necessity of acting now to adopt a liberalized foreign trade policy.

Last year the administration and the Congress delayed taking definitive action on an international trade program. It was argued—with some justification, I think—that time was needed for the new administration to study and familiarize itself with the problems of world trade. So we marked time by enacting a simple 1-year extension of the Reciprocal Trade Agreements Act. This meant that we would do nothing. And we did nothing, not one new trade agreement was made.

During that year of inaction on our part, the Russian and Chinese Commu-

voters go to the polls in November. I urge every Member in this House at this time to take the CONGRESSIONAL RECORD of June 21, 1954, and read on pages A4508 and A4509 the full text of this article from the Chicago Daily News. It tells the story of an acute housing shortage, practically no vacancies, and come this fall another 10- to 20-percent increase in rents to follow other increases practically doubling the rents that were being charged when rent controls went off a year ago. Come this fall tenants must cough up 10 to 20 percent more or get out into the streets.

Since I announced my intention of asking the House forthwith and before adjournment to investigate the situation my office has been flooded with letters. I quote from a few typical letters. One letter reads:

Thank God someone has at last come to our rescue. We are sick from worry on account of the high rents. We were paying $57.50 when the rent ceiling went off. Now paying $97 from a salary of $210 and just received notice of another increase. We simply cannot pay it and we can find no place to move. All the apartments are taken. The movers charged a friend of ours $150 to move her two blocks. Please move fast. What is the President doing? Surely he will want to help us.

From a constituent of mine:

I was paying $35 per month for two rooms, unfurnished, accepted a voluntary increase to $45.50. After the controls went off paid $60, then was raised to $66, and now have another increase threatened. I have reached the end of my rope.

From Oak Park, Ill., comes this letter:

My husband is ill with heart trouble and our only income is what I earn, less than $60 per week. I was paying $69.25 and after the controls went off this was raised to $92.50. Now they are threatening another 15-percent increase which will bring our rent to $106 per month. With an income of less than $60 per week, a sick husband, with medicine, food, clothing, and carfare (40 cents a day), how can we meet this 15-percent additional increase?

From another correspondent:

Less than a year ago I was paying $58. That has been raised to $90. Now the landlord is threatening to raise the rent to $116. He says he has to make up for rent-control days. I don't know what to do. I want to do what is right, but I do not know where to turn. Please, in God's name, help us.

A housewife writes me:

Since the controls were lifted last August we have received 2 increases, totaling 27 percent, and are now told that we must sign a lease at another 20-percent increase or get out. To help out my husband and to try to educate my son, I have gone to work in an office at a small salary. There is no way in the world that we can meet another 20-percent increase. What are we to do? I know that if the Congress comes to Chicago and sees what is happening here, it will do something for us before it is too late. Please, please hurry.

INDIAN CHARLIE METHOD

(Mr. CELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CELLER. Mr. Speaker, last Sunday, John T. Flynn, over radio station WOR in New York, and affiliated stations, said that at the coming conference with Churchill and President Eisenhower there will be considered a strengthening of the Anglo-American grand alliance. Then, gratuitously, Mr. Flynn added that when our President and Churchill meet over a bottle of Scotch whisky, he hoped there would be someone there to represent the United States.

Fair criticism is salutary, but such mean or snide comments are deplorable.

It is hoped that Mr. Flynn will withdraw the statement and thus erase the unfair implications that our President will yield unduly to Churchill and sacrifice our best interests to Britain's advantage over a bottle of Scotch whisky.

Such charge goes beyond the realm of decency and fair play. It is what has been termed the "Indian Charlie method."

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1955

Mr. H. CARL ANDERSEN. Mr. Speaker, I call up the conference report on the bill (H. R. 8779) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1955, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 22, 1954.)

(Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks at this point in the RECORD.)

(Mr. LAIRD (at the request of Mr. H. CARL ANDERSEN) asked and was given permission to extend his remarks in the RECORD at this point.)

Mr. H. CARL ANDERSEN. Mr. Speaker, the conference report before us will adequately meet the needs of the Department of Agriculture for the fiscal year 1955. There were no significant differences between the conferees of the two Houses and final agreements were worked out very amicably in all cases.

I want to take just a few minutes here to express my sincere thanks to Mr. HORAN, Mr. HUNTER, and Mr. LAIRD for their invaluable help during the long months of consideration of this measure so vital to the farmers of the Nation. I am proud of my Republican colleagues on my subcommittee. They view this bill from the viewpoint of the best interests of our Nation as a whole and, even though we have had our differences of opinion at times, those differences have accrued to the benefit of agriculture and this final bill here today is evidence of that fact.

It is a pleasure to be chairman of a subcommittee when men such as Mr. WHITTEN, Mr. CANNON, and Mr. MARSHALL represent the opposite party. They have cooperated 100 percent with my side of the committee in trying to do the best job we possibly could for the good of our Nation's agriculture. You would never know, Mr. Speaker, as to who were Republicans and who were Democrats on our subcommittee if you were to study the four volumes of hearings held this spring. I cannot express too strongly my appreciation for the cooperation of those gentlemen. They have been splendid and have worked long hours side by side with Mr. HORAN, Mr. HUNTER, Mr. LAIRD, and myself in the huge task we are bringing to a completion here today.

No Subcommittee on Appropriations can do a good job without a good executive clerk. Mr. Ross Pope has been of inestimable assistance, and he is the splendid type of career employee we are happy to have on our Appropriations Committee staff. Without that staff our subcommittees would be practically helpless. I cannot praise too highly Mr. Pope's work on this particular bill.

The total appropriation contained in the conference report is $723,683,150, which is $3,580,496 over the bill as it passed the House and $1,668,821 below the Senate bill. The House conferees went along with increases insisted upon by the Senate totaling $4,008,299, and agreed to Senate reductions of $427,803. The major increases agreed to include $463,199 for the Agricultural Research Service, $637,000 for the Forest Service, $1,120,000 for the Soil Conservation Service, $1,250,000 for acreage allotments and marketing quotas, and $300,000 for crop insurance.

With reference to loan authorizations, the conferees agreed to a Senate increase of $35 million for REA electrification loans, making a total of $135 million available for 1955. The conferees also agreed to a total of $122,500,000 for FHA production and subsistence loans, an increase of $2,500,000 over the House bill.

In connection with the agricultural conservation program and the matter of diverted acres, the conferees adopted the House language which sets aside $55 million of the $250 million announcement for 1955 until some action has been taken by the Congress or the Department of Agriculture relative to the use of diverted acres. The gentleman from Mississippi [Mr. WHITTEN] joins me in the belief that the Department of Agriculture can well wait for the Congress to act on the subject of diverted acres, prior to the announcement of a program for the use of the $55 million. However, we also feel that this $55 million shall definitely be available on the Department's announcement of a diverted acre program in the absence of any action by this Congress prior to adjournment. The conferees also agree to the Senate language which would require that the remaining $195 million be distributed to the States on the same basis as was used for the 1954 program.

For the eradication of tuberculosis and brucellosis, the House provided $1 million for indemnities and the Senate provided $873,500. The conferees are in agreement with the Senate figure. This will make available the same amount as the preceding year.

Mr. Speaker, I do not have the time today to show how vastly better this appropriation bill is than when it originally came down to us from the Department of the Budget. Many wrongs have been righted. I trust that the Department will follow closely the intent of the Congress as clearly expressed. I again call to the attention of the Department our expressions in this connection as contained in the original committee report which accompanied this appropriation measure. The Congress establishes policy and the executive branch is expected to carry out that policy.

[Mr. LAIRD addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. H. CARL ANDERSEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, may I say that this conference report is signed by all members of the conference. I shall take only a minute or two to say that it has been a pleasure to serve on this subcommittee under the chairmanship of the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and to have served with the various members of this subcommittee, both on the Republican and the Democratic side.

I do not know of any group that has more interest in the subject matter with which we deal or which works harder to understand and try to balance the needs of agriculture with the other needs that we have, such as a balanced budget.

I should like to say finally that it has been a pleasure for me to serve with Mr. CANNON, who has been on this committee for many years and whose interest in agriculture is well known, and the new member of our subcommittee on the Democratic side, Mr. FRED MARSHALL, of Minnesota, who brought to the committee a wealth of experience and who has attended every committee meeting where he has made great contributions. He has had charge of the Democratic side quite a number of times and, believe me, the welfare of agriculture and the Nation is in good hands with FRED MARSHALL always on the job.

My other purpose would be to point out that this report reflects the unanimous opinion of the members of the subcommittee and of the conference committee. They have all signed it. In view of the many statements that have been made by the Secretary and department officials that it is their desire to carry out the will of the Congress, I respectfully submit to them that this report when adopted reflects the will of the Congress. We hope and trust and have every reason to feel that the department officials who have so consistently said they would carry out the will of Congress will follow the intent of Congress, for this conference report of the amounts, with the reports of the two subcommittees spelling out the reasons, clearly presents the intent of Congress.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As the gentleman knows, while I have no farms in my district, I have been a strong supporter of all farm legislation and particularly rural electrification, because of the great benefit to the farmers on the farms and the progress that results from electrification as well as the happiness it brings to farm families.

I have here a letter from J. E. Smith, president of the National Rural Electric Cooperative Association, in relation to the $35 million Senate amendment increasing the rural electrification loan fund. May I ask the gentleman what the conferees did in connection with that amendment?

Mr. WHITTEN. The conferees accepted the Senate amendment. May I say further, however, that the practice followed always has been that what the Congress does is to fix a ceiling. The money is not appropriated nor is it withdrawn until the loan has been approved and until the funds are actually expended. Then and then only is the money borrowed from the Treasury, and then and then only does any interest begin to accrue.

The basic law sets up the criterion which the loans must meet in order to be approved. So while we have gone along with the Senate amendment, in effect that amounts only to a ceiling. We have given that much of a raise in the ceiling. As to whether those funds will be used will be dependent upon the administration of the program and things of that sort. So we have put the ceiling as high as was requested by the gentleman.

Mr. McCORMACK. I thank the gentleman.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I think the minority whip, the gentleman from Massachusetts [Mr. McCORMACK], in referring to it as an appropriation item, made a statement that is somewhat misleading. I am glad the gentleman from Mississippi straightened that matter out, as it is only a loan authorization we are talking about here.

Mr. WHITTEN. I thank my able colleague. Now I yield to my colleague, the gentleman from Wisconsin [Mr. JOHNSON], who has shown himself to be a real friend of American agriculture.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I appreciate the gentleman from Mississippi yielding me time to make my remarks. I wish at this time to speak in favor of House concurrence in the Senate's recent action to increase REA loan authorization by an additional $35 million over the $100 million figure approved earlier in the session by the House. The Senate's action, in my opinion, was wise, and it very realistically recognizes the nature of problems facing REA cooperatives in the Nation. There are several reasons why I believe that the House should concur in the Senate's action on this matter.

First of all, for reasons too numerous to mention in these brief remarks, I wish to state that I firmly believe in the rural-electrification program. There is no single social or economic program in the history of American agriculture that has contributed so much in the way of tangible accomplishments to make rural America a better place in which to live.

We should never forget that less than 20 years ago 90 percent of the Nation's farm families lived in the shadowy semi-darkness of 19th century kerosene lamps—or at best, some of the families had Coleman gasoline lamps. Before the development of the rural-electrification program 90 percent of the farm homes in the Nation had no refrigerators, deep-freeze units, electric ranges, electric-powered washing machines, electric irons, and all of the other appliances that have materially helped to eliminate some of the drudgery for farm housewives. As a result of rural electrification, many farm homes now have conveniences comparable to those found in city homes.

Incidentally, as an aside, I see no reason why farm housewives should not have the same conveniences as those enjoyed by their city cousins. Farm people are entitled to good living and the benefits of scientific progress just as much as city people.

Rural electrification has helped the Nation's farmers in a small way with their manpower shortage by putting electric horsepower to work. The value of rural electrification was demonstrated very well during World War II when the farm manpower situation was extremely critical. We were very fortunate that we had as many farms partially or totally electrified as we did to assure an abundant production of food for ourselves and our allies. Incidentally, I know that rural electrification has played an important role in the quality and sanitation program of dairy farmers.

At this point, I wish to emphasize the fact that rural electrification has helped, and will continue to help, business and industry. Since the REA program started in 1935 and up to March of this year, the REA coops have spent a total of $2,838,548,840 in building generating, transmission, and distribution systems.

This is not the whole story. Surveys made in 10 States show that for every dollar spent by the REA coops in building generating, transmission, and distribution systems, the farmer patrons spent from 3 to 4 dollars for electrical equipment, appliances and wiring. The surveys showed further that farmers invested, on the average, about $2,000 per farm in the wiring of buildings and in the purchase of electrical equipment and appliances. It is estimated, for example, that in 1952 the farmers of the Nation bought $825 million worth of electrical farmstead equipment.

Add the total spent by the farmer patrons to the amount spent by the REA coops and we find that REA coops and their farmer patrons spent from $12 billion to $15 billion for rural electrification since the program started in 1935.

I doubt if even the severest critics of REA can argue that this great volume of spending has not helped business on main street, kept the wheels of industry

turning and provided employment for thousands of workers in industry.

Before I turn specifically to the reasons why there is need for the additional $35 million in REA loan authorization, I should like to say that the REA program has cost the Government very little money. In fact, I believe that if we were to evaluate the financing of REA coops according to strict accounting procedure, we would find that the Government has actually made money on the rural electrification program.

The reason that I stress this point is that the Government loans the money to REA coops. This money is not a gift—as some people seem to believe. The loan must be repaid with interest.

Since 1935 and up to May 28, 1954, the REA cooperatives have borrowed a total of $2,865,712,765. In this period the REA coops have paid back $334,758,839 on the principal. For the same years the REA coops paid a total of $170,751,403 in interest on the loans.

It is also interesting to note that as of March 31, 1954, REA coops have made advance payments on their principal to the amount of $67,427,077. This is a splendid record. I doubt if any business has a better record of repayment on Government loans.

I cite these facts to refute those REA critics who would like to turn back the hands on the clock of time and plunge rural America into the kerosene lamp-lighted days of the 19th century. To those people who want to move backward I wish to observe that before 1935 farmers did not buy electric light bulbs, electric motors, electrical appliances, TV sets, and other electrical equipment. I am sure that the businessmen on main street do not want to go back to this earlier period.

I note that in my own State of Wisconsin a total of $108,539,977 has been loaned to REA co-ops since 1935. This means then that the REA co-ops and their farmer patrons in Wisconsin spent over $500 million on rural electrification.

REA cooperatives in Wisconsin have paid back $9,447,350 on the loan principal and a total of $6,544,410 in interest on loans. Advance payments on principal for Wisconsin REA cooperatives amount to $891,533 as of January 1, 1954.

REA is a sound program. It has done much for rural America and the national economy. That is why I am not afraid to increase the loan authorization for REA. The REA co-ops need loans not only to provide service to farms without electricity but also to improve existing facilities to meet increased consumer demand. In the light of this latter problem I believe that we may have to change our loan formula in the near future.

With respect to the problem of meeting increased consumer demand I believe that I can illustrate this best by citing some statistics pertaining to the Dairyland Power Cooperative. The Dairyland Power Cooperative is the largest farmer-owned power cooperative in the world. It serves 84,718 farmers in Wisconsin, part of Iowa, Illinois, and Minnesota. I am fairly familiar with the operations of Dairyland Power Cooperative because some of its generating facilities are located in my district. It also supplies power to all of the 10 REA county co-ops in my district. I am proud to say that when I owned a farm it was serviced by the Jackson Electric Cooperative.

While we still have a number of unelectrified farms in my district, this is not our basic problem. The problem now and in the future will be to furnish greater energy output to the 85,000 farmer patrons of Dairyland Power Cooperative. According to the last annual report of Dairyland Power Cooperative, I note that the average annual consumption of their farmer patrons has almost trebled in the 10-year period from 1944 through 1953.

For example, in 1944 the average annual consumption of Dairyland's 36,319 patron members was 1,560 kilowatt-hours. In 1953 the 84,718 patron farmers of Dairyland averaged 4,404 kilowatt-hours. It is conservatively estimated that this increase will continue for years to come.

Dairyland Power Cooperative, like REA co-ops in other sections of the country, will need loans to expand and revamp facilities to meet increased consumer demand. I note that National Rural Electric Cooperative Association in its budgetary requests recommends a total of $19,190,510 in loan authorizations for the coming year in Wisconsin. The bill passed earlier by the House would grant $12,693,000—which is about $7 million short of the amount recommended by NRECA. The Senate bill would provide $14,688,000 for Wisconsin. This is about $5 million short of NRECA requests.

Dairyland Power Cooperative is not the only REA co-op that needs loans for this purpose. There are other REA co-ops in the same boat. According to a statement by the REA Administrator, there were 201 electric loan applications on hand as of April 6, 1954. The total of these loan applications amounted to $161 million.

Under the Senate bill, even with carry-over and rescission of old funds and new authorizations, the amount will fall short of the $249 million requested by National Rural Electric Cooperative Association.

Therefore, in closing, I urge my colleagues to vote for concurrence in the Senate's action to increase REA loan authorization by $35 million over the $100 million figure approved by the House. In addition to helping the REA co-ops with their rural electrification program, I also believe that it is good business to invest money in expanding our economy.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HUNTER] and the gentleman from Missouri [Mr. CANNON] be permitted to extend their remarks at this point in the RECORD.

Mr. WHITTEN. Reserving the right to object, Mr. Speaker, there are several other Members who would like to extend their remarks at this point in the RECORD. May I suggest to the gentleman that he modify his request and ask that all Members be permitted to extend their remarks at this point in the RECORD on this conference report?

Mr. H. CARL ANDERSEN. I so modify my request, Mr. Speaker.

The SPEAKER. Is there objection to the modified request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, can the chairman assure us that ample funds have been provided under this conference report for soil conservation and operation of watersheds and flood prevention, as well as the agricultural-adjustment program, Federal crop insurance, the Rural Electrification Administration, the Farmers' Home Administration, Agricultural Research Service, including plant and animal disease and pest control, meat inspection, foot-and-mouth-disease research, Extension Service, national forest protection and management service, conservation operations, watershed protection, flood prevention, agricultural-conservation program service, marketing services, school-lunch program, and other agricultural programs?

Mr. H. CARL ANDERSEN. I can assure the gentleman that to the very best ability of this subcommittee such funds were provided.

Mr. WICKERSHAM. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1, page 3, line 2, insert ", and of which not to exceed $100,000 shall be available for the construction of a cotton-ginning laboratory in the Southeast, including acquisition of necessary land."

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20, page 3, line 3, insert ": *Provided*, That the funds available for payments and grants from said sum of $195 million shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program)."

Mr. H. CARL ANDERSEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

FREE ENTRY OF PHILIPPINE ARTICLES IN THE UNITED STATES

Mr. REED of New York. Mr. Speaker, I ask for the immediate consideration of the bill (H. R. 9315) to provide for an

extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. COOPER. Mr. Speaker, I reserve the right to object and yield to the gentleman from New York.

Mr. REED of New York. Mr. Speaker, the House will recall that this bill was called up yesterday and there was an objection to the bill. The gentleman from North Carolina [Mr. BONNER] objected to its consideration. Since then he has had opportunity to receive further assurances and no longer objects to consideration of the bill. The gentleman from North Carolina [Mr. COOLEY] did not object, but he also made a statement yesterday. He also informs me that he has no objection to consideration of the bill. There is no objection so far as I know and I ask unanimous consent at this point to include an explanation of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, the purpose of H. R. 9315 which has been reported favorably by the Committee on Ways and Means is to authorize the President to postpone for the period from July 4, 1954, to January 1, 1956, the time when United States import duties would begin to apply to Philippine articles provided that he finds that like treatment is accorded to exports of United States articles to the Philippines.

Before going into detail concerning the effect of the bill, a few words of background information are in order.

Under the Philippine Trade Act of 1946 and the Executive Agreement between the United States and the Philippine Republic signed on July 4, 1946, Philippine articles are admitted in the United States and United States articles are admitted in the Philippines free of customs duties until July 4, 1954. Under the act most products of the Philippine Republic are scheduled to become dutiable commencing July 4, 1954, at 5 percent of the rate applicable to like articles if imported from the foreign country which is entitled to the lowest rate. Commencing on January 1, 1955, and each January 1 thereafter, such Philippine articles will be dutiable at an additional 5 percent of the rate in question until January 1, 1973, on which date they become dutiable at 100 percent of the rate. Corresponding progressive duties are to be imposed on United States articles imported into the Philippines on each of the dates in question. Imports of sugar, cordage and rice from the Philippines are, under the Philippine Trade Act, subject not only to the foregoing tariff provisions but also to absolute quotas. Imports of cigars, cigar filler and scrap tobacco, coconut oil and pearl or shell buttons are to be subject both to declining duty-free quotas and to absolute quotas. After July 3, 1974, unless otherwise provided by statute or treaty, the absolute quotas referred to above will be removed and the full United States duty will apply to all dutiable imports from the Philippine Republic. It should be noted that, while there are no quotas on any United States exports to the Philippines in the agreement, there is a quota on any importation of leaf tobacco into the Philippines from any source which is provided for by separate Philippine legislation. It should also be noted that the act and the executive agreement deal not only with trade but also contains provisions with respect to currency matters, right of American nationals in the Philippines, immigration and related matters.

Now, as to H. R. 9315. The sole effect of the bill is to permit the President to suspend on a reciprocal basis the first two steps in the statutory formula with respect to progressive increases in tariff rates. If the full 18 months' period of postponement is achieved, Philippine articles would first become dutiable on January 1, 1956, at 15 percent of the lowest United States duty on the articles in question. No provision is contained in the bill for the suspension of any of the steps in the progressively decreasing duty-free quota formula contained in the Philippine Trade Act. Thus none of the quotas provided for in the act are in any way affected by the bill. The bill will not affect the operation of section 214 of the Philippine Trade Act of 1946 which provides for full duty on imports, in excess of duty-free quotas, of cigars, tobacco, coconut oil, and buttons of pearl or shell.

H. R. 9315 is supported by the Department of State, the Department of Commerce, the Department of Agriculture, and the Treasury Department, and appears to be favored by all of the interests having dealings with the Philippines. Indeed, there does not appear to be any serious opposition to the bill in its present form from any source. The Department of State has informed the committee that legislation along the lines of the bill has been requested by the Republic of the Philippines, and that the Philippine Legislature has already approved a bill enacting the extension in the form authorized by H. R. 9315. In fact, since H. R. 9315 was reported out of committee I have been informed that the Philippine bill has been signed by President Magsaysay.

I must be perfectly frank to say that a convincing case has not been made for the enactment of this bill on solely economic grounds, either from the standpoint of the United States or of the Philippines. Indeed, the executive departments which testified before your committee freely admitted this fact. However, it seems clear to me, as it did to our committee, that the bill should be enacted for reasons other than economic reasons. These reasons must be considered against the background of the relationship between this country and the Philippine Republic.

As Members of this House all know, the relationship between the Republic of the Philippines and the United States is unique. Formerly a possession of the United States, the Philippines has achieved, with the wholehearted support of this country, its full and complete independence. The success of the Philippine Republic during the relatively short period of her independence in meeting the many problems with which she has been faced has gained for her the respect and admiration of the American people. The independence of the Philippines has thus served to strengthen the traditional bonds of friendship and mutual esteem which bind her people and those of the United States and which are becoming of increasing importance to both nations in the light of present conditions in southeast Asia.

Our committee was informed that the Philippine Government strongly desires to effect certain basic modifications in the 1946 agreement insofar as it relates both to trade and to other matters and that the Government of the United States has agreed to undertake negotiations to this effect. The entire scope of the agreement, as well as commercial matters not covered by the agreement, will be reviewed during these negotiations with a view to possible revision of any aspects of the agreement which may require adjustment. We are assured that these negotiations will be undertaken on the basis of the principle of reciprocity so as to safeguard the mutual interests of both parties. There are many questions of interest to the United States with respect to exchange regulations, the foreign exchange tax, import controls, American investments in the Philippines, the regulation imposed by the Philippines on the importation of leaf tobacco, and the like, which will be considered during the course of the negotiations.

It is believed, in view of these considerations and of the fact that a new administration took office in the Philippines on December 30, 1953, that, pending the outcome of these negotiations, the status quo with respect to the duty-free period of trade between the Philippines and the United States should be preserved for the limited period provided for in the bill. That purpose will be accomplished by the enactment of H. R. 9315. This must be done before July 4 of this year so as to avoid the problems involved in making the refunds of customs duties which would be required if enactment came after that date.

Mr. COOPER. Mr. Speaker, the pending bill was reported unanimously by the Committee on Ways and Means. Its purpose is to permit the postponement on a reciprocal basis for not to exceed 18 months of the time when import duties would begin to apply on imports by the Philippines from us and our imports into this country from the Philippines.

It will be recalled that under the Philippine Trade Act of 1946 and the agreement which was entered into between the United States and the Philippine Republic, most of the products from the Philippine Islands are scheduled to become dutiable on July 4 of this year at 5 percent of the rate which is applied to imports of the same articles from the foreign country which is now entitled to our lowest rate of duty—Cuba. Under the present act and agreement, there would be an additional 5 percent each

Public Law 437 - 83d Congress
Chapter 409 - 2d Session
H. R. 8779

AN ACT

All 68 Stat. 304.

Making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1955, namely:

Department of Agriculture and Farm Credit Administration Appropriation Act, 1955.

DEPARTMENT OF AGRICULTURE

TITLE I—REGULAR ACTIVITIES

Agricultural Research Service

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate insect pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed $15,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase (for emergency replacement only) of not to exceed one, and the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed $7,500 and the cost of altering any one building during the fiscal year shall not exceed $3,750 or two per centum of the cost of the building, whichever is greater:

58 Stat. 742.
60 Stat. 810.

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State Agricultural Experiment Stations; $35,353,000, of which not to exceed $20,000 shall be available for the construction of an office and a laboratory building at the Southeastern Tidewater Field Station, Fleming, Georgia, and of which not to exceed $28,000 shall be available for the construction or acquisition of the necessary lands and buildings for a pecan research laboratory at Albany, Georgia, and of which not to exceed $100,000 shall be available for the construction of a cotton ginning laboratory in the Southeast, including acquisition of necessary land.

Plant and animal disease and pest control: For operations and measures to control and eradicate insect pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; $17,689,579, of which $400,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148–148e) to the extent necessary to meet emergency conditions: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That, in the dis-

31 USC 665.
52 Stat. 344.
62 Stat. 442.
7 USC 150 note.

cretion of the Secretary, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

7 USC 150c.

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products; $14,325,000.

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments to the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following Acts relating to agricultural experiment stations:

Hatch Act, the Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), $720,000; Adams Act, the Act approved March 16, 1906 (7 U. S. C. 369), $720,000; Purnell Act, the Act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382), $2,880,000; Bankhead-Jones Act, title I of the Act approved June 29, 1935 (7 U. S. C. 427–427g), sections 3 and 5, $2,863,708, and sections 9 and 11 of said Act as added by the Act of August 14, 1946 (7 U. S. C. 427h, 427j), including administration by the Office of Experiment Stations in the United States Department of Agriculture, $11,500,000, no part of which latter amount shall be used for beginning construction of any building costing in excess of $15,000; Hawaii, the Act approved May 16, 1928 (7 U. S. C. 386–386b), extending the benefits of certain Acts of Congress to the Territory of Hawaii, $90,000; Alaska, the Act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch Act to the Territory of Alaska, $15,000, and the provisions of section 2 of the Act approved June 20, 1936, as amended (7 U. S. C. 369a), extending the benefits of the Adams and Purnell Acts to the Territory of Alaska, $75,000; Puerto Rico, the Act approved March 4, 1931, as amended (7 U. S. C. 386d–386f), extending the benefits of certain Acts of Congress to Puerto Rico, $90,000; section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U. S. C. 1623), $500,000; in all payments to States, Hawaii, Alaska, and Puerto Rico, $19,453,708.

24 Stat. 440.
34 Stat. 63.
43 Stat. 970.
49 Stat. 436.
60 Stat. 1083.
45 Stat. 571.
45 Stat. 1256.
49 Stat. 1554;
64 Stat. 563.
46 Stat. 1520.
60 Stat. 1089.

FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials contaminated by or exposed to, any such disease, when there has been compliance with all lawful quarantine regulations, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, and the Act of May 29, 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111–122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed $2,650,000 for eradication of vesicu-

Payment of claims.

61 Stat. 7;
23 Stat. 31.
21 USC 114c.

lar exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That, except for payments made pursuant to said Act of February 28, 1947, the payment for animals may be made on appraisement based on the meat, egg-production, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

Basis of appraisement.
21 USC 114b-114d.

Research: For expenses necessary for research authorized by the Act of April 24, 1948 (21 U. S. C. 113a), $1,900,000.

62 Stat. 198.

Extension Service

PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), $38,662,000; under section 5, Clarke-McNary Act (16 U. S. C. 568-568a), $88,000; and payments and contracts for such work under section 204 (b)-205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), $925,000; in all, $39,675,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 (Public Law 83) shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

67 Stat. 83.
7 USC 341-348.
43 Stat. 654.
60 Stat. 1089.
7 USC 343.

FEDERAL EXTENSION SERVICE

Administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (Public Law 83), section 5 of the Clarke-McNary Act (16 U. S. C. 568-568a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, $1,925,000.

67 Stat. 83.
7 USC 341-348.
43 Stat. 654.
60 Stat. 1087.

Penalty mail: For costs of penalty mail for cooperative extension agents, $1,942,500.

Farmer Cooperative Service

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451-457), $408,000.

44 Stat. 802.

Forest Service

SALARIES AND EXPENSES

For expenses necessary, including not to exceed $15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the

58 Stat. 742.
60 Stat. 810.
Experimental investigations.

proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided*, That the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of the cost of any tower upon which a lookout house may be erected, shall not exceed $18,500 ($22,500 in Alaska) with the exception that any building erected, purchased, or acquired, the cost of which was $18,500 or more, may be improved out of the appropriations made under this Act for the Forest Service by an amount not to exceed 2 per centum of the cost of such building; to protect, administer, and improve the national forests, including tree planting and other measures to prevent erosion, drift, surface wash, soil waste, and the formation of floods, and to conserve water; to ascertain the natural conditions upon and utilize the national forests, to transport and care for fish and game supplied to stock the national forests or the waters therein; for management of lands acquired under the land utilization program; and to collate, digest, report, and illustrate the results of experiments and investigations made by the Forest Service: *Provided further*, That the appropriations available to the Forest Service for the current fiscal year may be used for the operation and maintenance of aircraft, and the purchase of not to exceed four (for replacement only), and not to exceed $250,000 of such appropriations may be used for the maintenance, improvement, and construction of aircraft landing fields in, or adjacent to, the national forests, as follows:

Cost of buildings.

Protection, etc., of national forests.

Aircraft.

Landing fields.

National forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental areas under Forest Service administration, except that where direct purchases will be more economical than construction, improvements may be purchased; the construction (not to exceed $18,500 for any one structure), equipment, and maintenance of sanitary and recreational facilities; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506–509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed $100,000 for the purchase of

Direct purchases.

36 Stat. 963.

34 Stat. 233; 37 Stat. 287, 842.

parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010–1012); $30,490,200; *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

50 Stat. 525.
59 Stat. 532.

Fighting forest fires: For fighting and preventing forest fires on or threatening lands under Forest Service administration, including lands under contract for purchase or in process of condemnation for Forest Service purposes, and for liquidation of obligations incurred in the preceding fiscal year for such purpose, $6,000,000, of which $2,500,000 shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary to meet emergency conditions.

31 USC 665.

Control of forest pests: For the control of white pine blister rust pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), including the development and testing of new control methods, $2,570,000, of which $360,000 shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C., Supp. V, 594–1—594–5), $2,367,500, of which $1,967,500 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; $4,937,500.

54 Stat. 168.
61 Stat. 177.
31 USC 665.

Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a–581c, 581f–581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; $6,538,500: *Provided*, That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.

45 Stat. 699.

FOREST ROADS AND TRAILS

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, $16,000,000, which sum is authorized to be appropriated by the Acts of September 7, 1950 (64 Stat. 786), and June 25, 1952 (66 Stat. 158), to remain available until expended: *Provided*, That this appropriation shall be available for the rental, purchase, construction, or alteration of buildings necessary for the storage and repair of equipment and supplies used for road and trail construction and main-

42 Stat. 218;
49 Stat. 1520.
23 USC 23 note.

tenance, but the total cost of any such building purchased, altered, or constructed under this authorization shall not exceed $18,500 ($22,500 in Alaska), with the exception that any building erected, purchased, or acquired, the cost of which was $18,500 or more, may be improved within any fiscal year by an amount not to exceed 2 per centum of the cost of such buildings.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

Weeks Act

For the acquisition of forest lands under the provisions of the Act
36 Stat. 961. approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), $125,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

Special Acts

For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forest, in accordance with the provisions of the following Act authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amount from such receipts: Cache National Forest, Utah, Act of May 11, 1938
52 Stat. 347. (Public Law 505), as amended, $10,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

STATE AND PRIVATE FORESTRY COOPERATION

For expenses necessary for cooperation with the various States in forest-fire prevention and suppression, in forest tree planting, in forest management and processing, and in farm forestry extension,
64 Stat. 473. pursuant to the Act of August 25, 1950 (16 U. S. C. 568c, 568d), and
43 Stat. 653. sections 1, 2, 3, 4, and 5 of the Act of June 7, 1924 (16 U. S. C. 564–568a), and Acts supplementary thereto; advising timberland owners, associations, and other appropriate agencies in the application of forest management principles to federally owned lands leased to States and to private forest lands, and advising wood-using industries in processing of forest products, so as to attain sustained-yield management, the conservation of the timber resources, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries; $10,683,690.

COOPERATIVE RANGE IMPROVEMENTS

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests as authorized by section 12 of the
64 Stat. 85. Act of April 24, 1950 (16 U. S. C. 580h), $400,000, to remain available until expended.

Soil Conservation Service

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a–590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; operation and maintenance of aircraft; and furnishing of subsistence to employees; $59,085,671: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed $2,500, except for eight buildings to be constructed or improved at a cost not to exceed $15,000 per building and except that alterations or improvements to other existing permanent buildings costing $2,500 or more may be made in any fiscal year in an amount not to exceed $500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a–590f), in demonstration projects: *Provided further*, That not to exceed $5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

49 Stat. 163.
Cost of buildings.
Restrictions.
58 Stat. 742.
60 Stat. 810.

WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the provisions of the Act of April 27, 1935 (16 U. S. C. 590a–590f), to remain available until expended, $5,500,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes.

49 Stat. 163.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (Public Law 738), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to make preliminary examinations and surveys, and to perform works of improvement, and to plan the agri-

49 Stat. 1570.
33 USC 701a–701h.

cultural phases of the development of the Arkansas-White-Red River area, the New England-New York area, including not to exceed $100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $100 per diem, to remain available until expended. $7,482,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated, nor shall any part of such funds be used for the purchase of lands in the counties of Adair, Cherokee, and Sequoyah, in the State of Oklahoma, and Neosho, Cottonwood, Verdigris, Caney, and tributaries in Kansas, without the specific approval of the Board of County Commissioners of the county in which such lands are situated: *Provided further*, That of the funds available herein, not in excess of $6,504,500 (with which shall be merged the unexpended balances of funds heretofore made available for these purposes) may be expended in watersheds heretofore authorized by section 13 of the Flood Control Act of December 22, 1944, for necessary gully control, floodwater detention, and floodway structures in areas other than those over which the Department of the Army has jurisdiction and responsibility.

53 Stat. 742.
60 Stat. 810.
Purchase of lands.
58 Stat. 905.

WATER CONSERVATION AND UTILIZATION PROJECTS

For expenses necessary to carry out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10), as amended and supplemented, June 28, 1949 (Public Law 132), and September 6, 1950 (7 U. S. C. 1033–1039), relating to water conservation and utilization projects, to remain available until expended, $480,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purposes of said Acts.

54 Stat. 1119.
63 Stat. 277.
64 Stat. 769.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

For necessary expenses to carry into effect the provisions of section 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g–590q), including not to exceed $6,000 for the preparation and display of exhibits, including such displays at State, interstate and international fairs within the United States; $191,700,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1954, carried out during the period July 1, 1953, to December 31, 1954, inclusive: *Provided*, That not to exceed $22,500,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than $4,020,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements

49 Stat. 1148.
67 Stat. 215.
52 Stat. 69.
7 USC 1392.
Payment to claimants.

and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1955 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to $250,000,000, including administration, but of this amount not more than $195,000,000 may be used until a final program has been adopted relative to the use of acreage diverted from production, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 per centum from the distribution for the next preceding program year, and no participant shall receive more than $1,500: *Provided*, That the funds available for payments and grants from said sum of $195,000,000 shall be distributed among the several States in the same proportion as the original allocation of funds for payments and grants for the 1954 agricultural conservation program); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the 1955 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties: *Provided further*, That for the 1955 program $2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and $1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That in carrying out the 1955 program the Secretary shall give particular consideration to the conservation problems on farm lands diverted from crops under acreage-allotment programs: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Depart-

62 Stat. 683.

50 USC app. 601 note.

Soil building practices, etc.

49 Stat. 1148.

16 USC 590g-590q.

Payments and grants.

49 Stat. 1150.

Purchase of seeds, etc.

Restriction.

ment, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147.
5 USC 118k note.
62 Stat. 792.

Agricultural Marketing Service

MARKETING RESEARCH AND SERVICE

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith:

60 Stat. 1087.

Marketing research and agricultural estimates: For research and development relating to agricultural marketing and distribution, for analyses relating to farm prices, income and population, and demand for farm products, and for crop and livestock estimates; $10,215,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton, or for estimates of apple production for other than the commercial crop.

Restriction.

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; $11,575,500, including not to exceed $25,000 for employment at rates not to exceed $100 per diem, pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946.

58 Stat. 742.
60 Stat. 810.
52 Stat. 36.
60 Stat. 1088.
7 USC 1622.

PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), $900,000.

60 Stat. 1089.

REPAYMENT TO COMMODITY CREDIT CORPORATION

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing services", fiscal year 1953 (including interest thereon through June 30, 1954), pursuant to authority contained under the head "Marketing services" in the Department of Agriculture Appropriation Act, 1952 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), $441,655.

65 Stat. 239.
50 Stat. 62;
49 Stat. 732.

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751–1760), $83,236,197: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act. 60 Stat. 230. 42 USC 1754.

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, $965,000.

COMMODITY EXCHANGE AUTHORITY

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U. S. C. 1–17a), $673,000. 49 Stat. 1491.

COMMODITY STABILIZATION SERVICE

AGRICULTURAL ADJUSTMENT PROGRAMS

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301–1393), $41,250,000, of which not more than $5,500,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided*, That $3,500,000 of this appropriation shall be placed in reserve to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary for carrying out marketing quotas for the 1955 crop of wheat. 52 Stat. 38. 7 USC 1392. 31 USC 665.

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101–1160), $59,600,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed $1,440,000, of which $77,000 shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use as may become necessary for applying restrictive proportionate shares on the 1955 beet crop. 61 Stat. 922. 31 USC 665.

FEDERAL CROP INSURANCE CORPORATION

For operating and administrative expenses, $6,000,000.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U. S. C. 901–924), as follows: 49 Stat. 1363.

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act as follows: Rural electrification program, $135,000,000; and rural telephone program, $75,000,000; and additional amounts, not to exceed $35,000,000 for the rural electrification program, may be 7 USC 907, 903.

borrowed under the same terms and conditions to the extent that such additional amounts are required during the fiscal year 1955, under the then existing conditions, for the expeditious and orderly development of the program.

SALARIES AND EXPENSES

For administrative expenses, including not to exceed $500 for financial and credit reports, and not to exceed $75,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $7,285,000.

58 Stat. 742.
60 Stat. 810.

FARMERS' HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000–1031); the Farmers' Home Administration Act of 1946 (7 U. S. C. 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C. Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946 (40 U. S. C. 436–439); the Act of August 28, 1937, as amended (16 U. S. C. 590r–590x, 590z–5), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949 (42 U. S. C. 1471–1483), as amended by the Housing Act of 1952 (Public Law 531, approved July 14, 1952), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U. S. C. 440–444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U. S. C. 590y, z1 and z10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033–1039), as follows:

50 Stat. 522.
60 Stat. 711.
50 Stat. 869.
63 Stat. 432.
66 Stat. 604.
64 Stat. 98.
53 Stat. 1418;
54 Stat. 1125.
64 Stat. 769.

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $19,000,000, of which not to exceed $5,000,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, $122,500,000; the Act of August 28, 1937, as amended, $6,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

50 Stat. 531.
7 USC 1024.
50 Stat. 522;
530.
7 USC 1001-
1006, 1017.
50 Stat. 524.
7 USC 1007-
1009.
50 Stat. 869.
16 USC 590r-
590x.
65 Stat. 240.

SALARIES AND EXPENSES

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration, and other administrative expenses, $23,550,000, together with a trans-

fer of not to exceed $400,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended. 60 Stat. 1076. 7 USC 1005b.

Office of the Solicitor

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, $2,030,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of $300,000 shall be transferred to and made a part of this appropriation.

Office of the Secretary

For expenses of the Office of the Secretary of Agriculture, including the purchase of one passenger motor vehicle for replacement only; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; $2,080,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such services and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of $84,280, shall be transferred to and made a part of this appropriation.

Office of Information

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, $1,196,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of $16,014 shall be transferred to and made a part of this appropriation, of which total appropriation not to exceed $537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U. S. C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of $10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That no part of this appropriation shall be used for the establishment or maintenance of regional or State field offices, or for the compensation of employees in such offices.

34 Stat. 690. Yearbook of Agriculture. 28 Stat. 612. Motion pictures, etc. 58 Stat. 742. 60 Stat. 810. Field offices.

LIBRARY

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, $659,950.

TITLE II—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1955 for such corporation or agency, except as hereinafter provided:

Federal Crop Insurance Corporation: *Provided*, That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses.

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed $18,000,000 shall be available for administrative expenses of the Corporation: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

Nonadministrative expenses.

TITLE III—SPECIAL ACTIVITIES

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

For expenses necessary to carry out section 7 (b) of the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98f), $331,500: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

60 Stat. 600.

TITLE IV—FARM CREDIT ADMINISTRATION

Administrative expenses: For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), the assessments heretofore and hereafter collected from the Federal land banks and other farm credit agencies, to remain available until expended: *Provided*, That not to exceed $2,320,000 shall be obligated during the current fiscal year for such expenses.

60 Stat. 810.

Federal Farm Mortgage Corporation: Not to exceed $650,000 (to be computed on an accrual basis) of the funds of the Corporation shall be available for administrative expenses, including employment on a contract or fee basis of persons, firms, and corporations for the performance of special services, including legal services, and the use of the services and facilities of Federal land banks, National farm loan associations, Federal Reserve banks, and agencies of the Government as authorized by the Act of January 31, 1934 (12 U. S. C. 1020–1020h); and said total sum shall be exclusive of services and facilities

48 Stat. 344.

furnished and examinations made by the Farm Credit Administration central office, interest expense, and expenses in connection with the acquisition, operation, maintenance, improvement, protection, or disposition of real or personal property belonging to the Corporation or in which it has an interest: *Provided*, That promptly after June 30 of each fiscal year all cash funds in excess of the estimated operating requirements for the current fiscal year shall be declared as dividends and paid into the general fund of the Treasury: *Provided further*, That the aggregate amount of bonds the Corporation may issue and have outstanding at any one time shall not exceed $500,000,000.

Dividends.

Bonds.

Federal intermediate credit banks: Not to exceed $1,740,000 (to be computed on an accrual basis) of the funds of the banks shall be available for administrative expenses, including the purchase of not to exceed two passenger motor vehicles for replacement only, and services performed for the banks by other Government agencies (except services and facilities furnished and examinations made by the Farm Credit Administration central office, and services performed by any Federal Reserve bank and by the United States Treasury in connection with the financial transactions of the banks); and said total sum shall be exclusive of interest expense, legal and special services performed on a contract or fee basis, and expenses in connection with the acquisition, operation, maintenance, improvement, protection, or disposition of real or personal property belonging to the banks or in which they have an interest.

Production credit corporations: Not to exceed $1,540,000 (to be computed on an accrual basis) of the funds of the corporation shall be available for administrative expenses, including the purchase of not to exceed five passenger motor vehicles for replacement only, and services performed for the corporations by other Government agencies (except services and facilities furnished and examinations made by the Farm Credit Administration central office); and said total sum shall be exclusive of interest expense, legal and special services performed on a contract or fee basis, and expenses in connection with the acquisition, operation, maintenance, improvement, protection, or disposition of real or personal property belonging to the corporations or in which they have an interest.

TITLE V—GENERAL PROVISIONS

Sec. 501. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 575 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.

Passenger motor vehicles.

Sec. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to (1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service of the Department for periods of not more than sixty days; and (3) employment under the appropriation for the Foreign Agricultural Service.

Employment of aliens.

Purchase of lands.

SEC. 503. Of appropriations herein made which are available for the purchase of lands, not to exceed $1 may be expended for each option to purchase any particular tract or tracts of land.

Cotton price predictions.

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

68 Stat. 318.
68 Stat. 319.

Purchase of twine.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Contracts.

SEC. 506. Not less than $1,500,000 of the appropriations of the Department for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427, 1621–1629) shall be available for contracting in accordance with said Act.

60 Stat. 1085.

Strikes or overthrow of Government.

SEC. 507. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

Affidavit.

Penalty.

Emergency work.

Publicity or propaganda.

SEC. 508. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

SEC. 509. Appropriations of the Department available for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427; 7 U. S. C. 1621–1629) shall be available for expenses of any advisory committee established as provided in title III of said Act to assist in effectuating the research and service work of the Department.

Research and service work.
60 Stat. 1082, 1087.

This Act may be cited as the "Department of Agriculture and Farm Credit Administration Appropriation Act, 1955".

Short title.

Approved June 29, 1954.

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